Postal Regulatory Commission
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BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPLAINT OF FREDERICK FOSTER	)))	Docket No.

COMPLAINT OF FREDERICK FOSTER

(June 24, 2015)

1. Pursuant to 39 U.S.C. § 3662, Pro Se Litigant Frederick Foster ("Foster") respectfully submits this complaint against the United States Postal Service ("Postal Service"), Pitney Bowes, Inc. ("PBI") and John Does 1-10.

2. The complaint involves violations of:

a) 39 USC §404(a) pertaining to the unlawful disclosure of intellectual property/proprietary information to any third party, and the unlawful use of a person's information without permission from the person,

b) 39 USC §401(2) pertaining to the unlawful investment or divestment of USPS competitive product funds and the intentional sabotage, dismantling, and demise of the Postal Service's assets, revenue and real estate, to perpetuate a scheme to privatize USPS upstream operations,

c) 39 USC §403(c) pertaining to any party including an officer of the Commission representing the interest of the general public, who believes that the Postal Service has violated this section (§§403, 404) may bring a complaint in accordance with section 3662.

3. The Commission has jurisdiction over this complaint pursuant to 39 U.S.C § 3662.

4. Moreover, the United States Postal Service, US Department of Justice, US District Courts, US Court of Appeals for Federal Circuit, and Pitney Bowes, Inc. (in error) have either asserted, found, or affirmed that the Postal Regulatory Commission has exclusive jurisdiction over claims against the Postal Service alleging violations of 39 USC § 404(a) and Plaintiff must file this complaint in the PRC.

5. In accordance with the decision of the District Courts, Plaintiff respectfully files this complaint in the Postal Regulatory Commission.

6. Notices and communications about this matter should be sent to:

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7. On October 16, 2014, Foster conducted a settlement conference with James M. Mecone, Anthony F. Alverno, and Kyle R. Coppin, of the USPS Law Department, attorneys for the Postal Service.

8. On November 12, 2014, the USPS Law Department responded to Plaintiff's settlement demand stating, "The Postal Service does not agree to the demands..." (a true and correct copy of USPS Law Department email in disagreement to Plaintiff's settlement demand, is attached hereto, incorporated herein, and marked as **Exhibit "A"**). The Postal Service did not make a counter offer.

I. FACTUAL ALLEGATIONS

A. Frederick Foster's Business

9. Frederick Foster is a US Citizen/Inventor/Entrepreneur who resides in Philadelphia, Pennsylvania, and in response to calls for help from the Postal Service and the general public, was seeking to do business with the Postal Service.

10. In 2007, Foster conceived the Virtual P.O. Box/Internet Passport ("Virtual P.O. Box"), a secure digital delivery service. The Virtual P.O. Box was conceived for two primary purposes:

a) to offer the Nation, our citizens, businesses, institutions, and the global community secure delivery of electronic or digital communications and money transfers…(many other services were intended and would be added to suit the customers' needs including but not limited to, verification services, shipping and mailing services and discounts, a basic juncture between the physical and digital addresses),

b) to repair the Postal Service's failing financial condition, return the lost audience or customers back to the Postal Service, transition the Postal Service's business model, real world operations, governmental status and authority to the digital world or the Internet. The implementation of the Virtual P.O. Box Initiative would also set a standard for the Internet's private service providers.

11. The Postal Service, over the past ten years has suffered losses of more than Forty Seven Billion Dollars ($47,000,000,000). Throughout their failing financial condition, the Postal Service solicited requests for new ideas from the private sector. Foster contacted and introduced the Virtual P.O. Box concept to a Linda Kingsley, Senior Vice President Strategy and Transition (a true and correct copy of the communication introducing the concept is attached hereto, incorporated herein, and marked as **Exhibit "B"**).

12. Ms. Kingsley instructed Foster to upload the Virtual P.O Box Introduction into the USPS Innovations Data Base. Foster uploaded his intellectual property on or about May 25, 2007 (a true and correct copy of the Virtual P.O. Box Introduction upload is attached hereto, incorporated herein, and marked as **Exhibit "C"**). Foster's concept was labeled Innovations Proposal Case Number 3127 by a Linda Stewart, Manager Strategic Business Initiatives. Foster's case was assigned to a Thomas Cinelli, Acting Manager Strategic Business Initiatives.

13. The first thing Mr. Cinelli informed Foster of was they (Postal Service) needed a patent number or patent application number to assure Foster was the owner of the intellectual property that was under discussion. Foster filed a provisional patent application in the USPTO for a "verification process" to be administrated by the Postal Service. The verification process was not patentable, and significantly, Foster did not include the Virtual P.O. Box trade secrets in the patent application, Foster maintained the secrecy of the Virtual P.O. Box trade secrets. Foster did not want the Internet's private service providers to know what Foster was proposing for the Postal Service. Foster disclosed the provisional patent number to the Postal Service through Mr. Cinelli.

14. The Postal Service and Foster engaged in numerous, ongoing discussions, through Mr. Cinelli, concerning the Virtual P.O. Box Initiative. On May 31, 2007, the Postal Service, through Mr. Cinelli, informed Foster via email "*I am moving the concept through a number of internal stakeholders. I will be in touch*." (a true and correct copy of the May, 31, 2007 USPS Thomas Cinelli email is attached hereto, incorporated herein, and marked as **Exhibit "D"**) On June 11, 2007, Foster received an email from the Postal Service thru Mr. Cinelli that stated, "…*I will be in touch after I have received responses from potential stakeholders*." (a true and correct copy of the June 11, 2007 USPS email is attached hereto, incorporated herein, and marked as **Exhibit "E"**).

15. After receiving the approval of the internal and potential stakeholders, which included Pitney Bowes, Inc., Mr. Cinelli began discussing a pilot for the Virtual P.O. Box Initiative. Mr. Cinelli referred Foster to the Postal Accountability Enhancement Act (39 U.S.C.) wherein §404(a)(2) & (3) specifically outlines some of the provisions of a "Non-

Disclosure/Non-Compete Agreement". §404(a)(2) prohibits the Postal Service from disclosing a person's intellectual property/proprietary information to any third party and (3) prohibits the Postal Service from taking information from an individual and using it in whole or in part without permission from the individual. Mr. Cinelli also explained the forecasted profit for the Virtual P.O. Box pilot needed to be under the $10,000,000 (Ten Million Dollars) experimental product Dollar Amount Limitations (39 U.S.C. §203(e)(1)) to begin the pilot without seeking approval from the PRC.

16. On July 12, 2007, Mr. Cinelli and Foster conducted a conference with Foster's then Attorney Adam Shapiro, Esquire, discussing the pilot for the Virtual P.O. Box (a true and correct copy of invoice from Attorney Shapiro memorializing the conference is attached hereto, incorporated herein, and marked as **Exhibit "F"**).

17. Mr. Cinelli, in a sense of urgency, told Foster, "*Any information you (Foster) can gather, get that to us (USPS), and any information you need to put in your own words, because it's a new product, get that to us too*". Foster followed up with several documents and information updates detailing the Virtual P.O. Box trade secrets.

18. Mr. Cinelli explained to Foster they would have to confer with the USPS Technical, Marketing, and Law Departments. Mr. Cinelli and Foster conducted a conference call with an Executive of the USPS Marketing Department. The USPS Marketing Executive asked Foster, "*How much marketing (in terms of money) would it take to make (Foster's) projection of Four Billion Dollars ($4,000,000,000)*?" Foster gave a ball park estimate of, "*Less than Ten Million Dollars ($10,000,000)*". USPS Marketing Executive responded, "*The Marketing Department doesn't have that type of* *money*". Later, Mr. Cinelli explained to Foster, "*The marketing budget could be raised if needed*".

19. Mr. Cinelli and Foster conducted a conference call with an Executive of the USPS Technical Department, who agreed on technical issues and the limitations of securing a digital environment, he then asked, "*What's going to bring in the revenue with free email*?" Foster explained the revenues will be generated through subscription fees, advertising, and money transfers fees.

20. Mr. Cinelli expressed to Foster the Postal Service's desire to expedite the process of implementing the Virtual P.O. Box Initiative. At some point, Mr. Cinelli asked Foster, "*When the Virtual P.O. Box Subscribers make payments, whose bank account will the money be deposited into*?" Foster responded, "*Let me get back to you after I have conferred with my colleagues*". Foster received a follow up call from Mr. Cinelli who asked, "*Have you spoken to your colleagues*?" Foster responded, "*Yes, they said, since banking is automatic, the monies can be deposited in my account and the USPS monies will be automatically transferred into the USPS account, and moreover, we can get developers from the private sector to develop the web site and software for the Virtual P.O. Box, that way we won't have to wait on the USPS Technical Department as long as we meet their requirements. So I guess the next step is for you to determine what the USPS portion will be*". Mr. Cinelli responded, "*I'll get back to you Mr. Foster*".

21. Thereafter, Foster received a call from Mr. Cinelli who said, "*I have finally got a response from the law department, and they said I am to cut off negotiations with you, and I should direct you to the USPS Un-Solicited Proposal Program*". Though the

Postal Service had clearly solicited Foster's proposal, Foster still followed Mr. Cinelli's instructions and reviewed the criteria of the USPS Un-Solicited Proposal Program (USPS UPP). Foster's intellectual property, the Virtual P.O. Box Initiative, did not fit the criteria of the USPS UPP.

22. Foster attempted to contact Mr. Cinelli to explain the USPS UPP was improper and to give the Postal Service an opportunity to reconsider their decision to withdraw from the previous negotiations. Moreover, Foster concluded it was important to the Nation, its citizens, and the future of the Postal Service that the Virtual P.O. Box Initiative was implemented. Foster was told Mr. Cinelli, Linda Kingsley, and Linda Stewart was no longer available.

23. In August 2007, Foster began communications with various legislators, government agencies, and regulators of Postal Operations, including the HR Federal Workforce Oversight Committee, Senate Governmental Affairs Subcommittee on Federal Financial Management, Government Accountability Office (GAO), USPS Office of the Inspector General (OIG), and the Postal Regulatory Commission (PRC), in the continuing effort to navigate the beaurocratic morass in dealing with the numerous governmental agencies whose participation might be required in bringing this grand proposal into fruition.

24. On November 5, 2009, the House Federal Workforce Oversight Subcommittee held a hearing on the "Future of the Postal Service". The focus of the hearing was to examine revenue-generation initiatives for the Postal Service. The panel of witnesses for the Postal Service included Robert Reisner, President Strategic Planning and

Transformation Strategies, Robert Bernstock, President of Shipping and Mailing Services, and Former Deputy PMG Michael Coughlin.

25. The House Federal Workforce Oversight Subcommittee determined the Postal Executives failed to present any viable revenue generators in their witness testimonies. The Postal Executives did not present any similar initiatives to that of Foster's Virtual P.O. Box Initiative. Moreover, the Postal Executives and the House Subcommittee formally solicited a request for the private sector to bring the Postal Service innovative ideas. Also, Robert Reisner, testified, "*the Postal Service acts as a platform…has become an innovative place where people can have the sense that they can plug and play and try ideas and test their ideas in the market place to the benefit of Postal customers*"… Subsequently, Foster introduced the Virtual P.O. Box Initiative (secure digital delivery service) to panel members of the House Federal Workforce Oversight Subcommittee including the Chairman Stephen Lynch.

26. On December 12, 2009, Foster received an email from a Joseph K. Adams, General Manager Online Marketing and Marketing Services to the USPS. Mr. Adams informed Foster that House Federal Workforce Subcommittee Chairman Stephen Lynch forwarded the Virtual P.O. Box Initiative introduction to the Postal Service for review and consideration. Contrary to the Postal witnesses' testimonies at the Congressional Hearing and even the Postal Service's 2007 communications through the late Mr. Cinelli, the Postal Service's email, through Mr. Adams, indicated the Postal Service was already working on similar initiatives. Specifically, Mr. Adams' email stated, "…*I believe that your insights into the fraud and security issues faced by online and other parties are* *indeed important. The ideas that you outline are interesting to the USPS. However, there has been work done in the past to explore substantially similar ideas, and while I am not at liberty to disclose specifics of any work that may be underway currently, it is possible that similar ideas may already be under evaluation*."… (a true and correct copy of USPS email through Joseph Adams is attached hereto, incorporated herein, and marked as **Exhibit "G"**)

27. Foster found it improper and inconsistent with Postal procedure for the Manager of Online Marketing to be delegated the responsibility of replying to an introduction forwarded by House Federal Workforce Subcommittee Chairman Lynch, since the Virtual P.O. Box Initiative was a matter of innovations in Postal Operations. On December 21, 2009, Foster sent a response to the USPS via email to Joseph K. Adams, GM Online Marketing (a true and correct copy of Foster's email responding to USPS through Joseph Adams is attached hereto, incorporated herein, and marked as **Exhibit "H"**).

28. Foster informed Mr. Adams that he had introduced the Virtual P.O. Box Initiative to the Postal Service in 2007 and they (USPS and Foster) had negotiated a pilot. Foster informed Mr. Adams that the reason we gave the Virtual P.O. Box introduction to Chairman Lynch was due to the revealing testimony of the Postal Witnesses at the hearing wherein, the Postal Witnesses failed to provide the Oversight Committee a viable solution for their failing financial condition. Foster advised Mr. Adams that the implementation of any similar initiatives by the Postal Service based, in whole or in part, upon any of the information Foster's introduced in 2007 would be grounds for legal action and constitute violations of Title IV of the Postal Accountability Enhancement Act, Unfair Competition Prohibited, §404 (a) (2) & (3), and §404 (d), *inter alia*.

29. On February 24, 2011, the USPS OIG released report number: RARC-WP-11-002, "The Postal Service Role in the Digital Age Part 1: Facts and Trends". (USPS OIG report number: RARC-WP-11-002 is attached hereto, incorporated herein, and marked as **Exhibit "I"**). The USPS OIG report RARC-WP-11-002 was an act of plagiarism. The report was a reworded duplication of Foster's proprietary information. The USPS OIG report RARC-WP-11-002 was the first of a four part series of plagiarisms of Foster's proprietary information. The USPS OIG, specifically IG Dave Williams, was fully aware that Foster introduced the Virtual P.O. Box Initiative to the Postal Service in 2007, was seeking to do business with the Postal Service under the protection of the PAEA and applicable laws and they (USPS OIG) were required by law to maintain the confidentiality of Foster's proprietary information/intellectual property. The USPS OIG reports unlawfully saturated public record with Foster's proprietary information/intellectual property.

30. On February 28, 2011, Foster first reached out to IG Dave Williams to no avail. Subsequently, Foster left message on IG Williams' answering service asking why did the OIG not only plagiarize the Virtual P.O. Box Initiative proprietary information in their report, but did not contact, quote, or credit Foster in the report? The USPS OIG replied on or about March 4, 2011, through a Mohamed Adra who said, "*We are a Government Agency, we can't pick a winner from the private sector…we can't tell the Postal Service* *to go with F D Foster, and we can't tell them to go with Bill Gates and Microsoft, but we can share in findings*".

31. At that time, Foster trusted that the USPS OIG, in its governmental status, confirming Foster's findings would act as an official recommendation and provide additional encouragement for the Postal Service to implement the Virtual P.O. Box Initiative. Foster also relied on the protections of the PAEA which prohibits the Postal Service from receiving information from an individual and using it in whole or in part without permission from the individual. Therefore, should the Postal Service decide to implement Foster's Virtual P.O. Box Initiative or any similar initiative of another name, the Postal Service would have to get permission from Foster.

32. Thereafter, the USPS OIG continued their plagiarism and saturation of public record with Foster's proprietary information with three (3) more reports, RARC-WP-12-001 "Digital Currency: Opportunities for the Postal Service on October 3, 2011, RARC-WP-12-002 Postal Service Revenue: Structure, Facts, and Future Possibilities" on October 6, 2011, and RARC-WP-12-003 "eMailbox and eLockbox: Opportunities for the Postal Service" on November 14, 2011. These three (3) USPS OIG reports were released within a six (6) week period.

33. In March or April 2011, USPS Stakeholder/Supplier Pitney Bowes, Incorporated announced the launching of Volly.com, a secure digital delivery service, a duplicate of many features of Foster's intellectual property (a true and correct copy of comparison of the identical features of the Virtual P.O. Box Initiative and Volly.com is incorporated herein, attached hereto, and marked as **Exhibit "J"**). Volly.com customer base was the Business Mailing Customer with services pertaining to secure digital delivery of communications and money transfers. The Defendants launched Volly.com outside the U.S.

34. Moreover, the record shows Pitney Bowes, Inc. is a publicly traded company. The announcement of the launching of Volly.com was intended to raise the value of Pitney Bowes, Inc. stock and generate investment funds or revenue from the public and its stockholders.

35. On November 23, 2011, Foster filed a complaint against the United States Postal Service and Pitney Bowes, Inc in the Federal District Courts. Foster was a Pro Se Litigant. Foster's claims against the Postal Service and Pitney Bowes, Inc. alleged misrepresentation/fraud, unjust enrichment, violations of 39 U.S.C. § 403 Unfair Competition Prohibited, §404(a)(2) & (3), pertaining to unlawful disclosure of intellectual property to a third party and using a individual's information in whole or in part without permission from the individual, §404(d) &(e), pertaining to unfair or deceptive acts or practices and any Federal Agency or Federal Employee acting in concert or on behalf of the Postal Service in unfair methods of competition, §404(g)(1), pertaining legal representation may not be furnished by the US Department of Justice (DOJ) to the Postal Service in any action arising in whole or in part under (d) or (e) of this section (Title IV), and violations of the Standards of Ethical Conduct for Employees of the Executive Branch, misappropriation of trade secrets, *inter alia*.

36. On March 9, 2012, the USPS, unlawfully represented by the US DOJ, filed a motion to dismiss pursuant to Rules 12(b)(1) and 12(b)(6) of the Federal Rules of Civil

Procedure (a true and correct copy of excerpts from the USPS Motion to Dismiss is attached hereto, incorporated herein, and marked as **Exhibit "K"**). The USPS dismissal motion was intended to move the Court for an order dismissing all claims against the USPS for lack of subject matter jurisdiction and for failure to state a claim upon which relief may be granted. The USPS motion persuaded the Federal Courts to focus on Foster's §404(a) claims, disregard all other claims and plausible grounds of relief, and find that Congress intended the PRC to have exclusive jurisdiction on claims alleging violations of §404(a).

37. The USPS motion made several intentionally false pleadings to the Federal District Courts. The intentionally false pleadings were intended to cloak the relationship or nexus between Defendants USPS and Pitney Bowes and un-ethically discredit Foster's claims. The USPS motion stated, "*USPS, as an independent establishment of the executive branch of the government of the United States does not have any* "*stakeholders*". The USPS motion, in reference to §3641(e) Dollar-Amount Limitations, falsely stated, "*This requirement does not exist within the Postal Accountability and Enhancement Act. USPS is unaware of where plaintiff (Foster) received such information*".

38. Foster argued, amongst other things, that §3662, the statute that vested the PRC's jurisdiction, was permissive and provided that an interested person "may" lodge a complaint in the PRC. On July 23, 2012, the Federal Courts granted the USPS 12(b)(1) dismissal motion finding that Congress intended the PRC to have exclusive jurisdiction on claims against the Postal Service alleging violations of 404(a), *inter alia*.

The dismissal severed USPS from their Co-Defendant Pitney Bowes. Foster's motion to amend and motion for reconsideration was denied. Foster's claims against Pitney Bowes were still pending. On August 3, 2012, Pitney Bowes filed a motion for judgment on the pleadings. On February 7, 2013, the Federal District Court granted Pitney Bowes motion for judgment on the pleadings. On February 21, 2013, Foster filed a motion for reconsideration. On April 12, 2013, the Federal District Courts denied Foster's motion.

39. On April 17, 2013, five (5) days after the District Courts denied Foster's motion for reconsideration, the USPS OIG released Report Number ms-WP-13-002, "Virtual Post Office Boxes" (excerpts from the USPS OIG Report Number ms-WP-13-002, "Virtual Post Office Boxes" is attached hereto, incorporated herein, and marked as **Exhibit "L"**). The USPS OIG Virtual P.O. Boxes report was an announcement of a new service to be implemented by the Postal Service. On the surface, the OIG's report indicated the basis of the Virtual P.O. Boxes were to provide a physical annex or alternative storage space to a customer's physical P.O. Box. The OIG's report then indicates the USPS intention to incorporate several identical features to Foster's intellectual property.

40. Thereafter, on September 19, 2013, IG David Williams knowingly and intentionally gave Senate Testimony that plagiarized Foster's proprietary information and listed identical features of Foster's intellectual property. (a true and correct copy of IG David Williams September 19, 2013 Senate Testimony is attached hereto, incorporated herein, and marked as **Exhibit "M"**)

41. On April 24, 2013, Foster appealed the Federal District Court's decision in the US Court of Appeals for the Federal Circuit. Foster's primary questions in the appeal were, "Does the Federal District Court have jurisdiction on claims against the Postal Service alleging violations of § 404(a), inter alia? Or, does §3662 give the complainant the choice of filing their claims in the Federal District Courts or the PRC?

42. Foster submitted Congressional Summaries from the Library of Congress Congressional Research Service (CRS) that summarizes the intent of the Bill Sponsors of the PAEA. In reference to §404 (as a whole) the CRS Summaries unanimously states, "*(Sec. 404) Subjects all Postal Service: (1) activities to federal laws prohibiting the conduct of business in a fraudulent manner; and (2) conduct with respect to federal anti-trust laws. Eliminates Postal Service sovereign immunity*." The Postal Service maintained their ludicrous technical defense. The Federal Circuit affirmed the District Court's ruling and determination that the PRC was the proper venue for Foster's claims.

43. Foster filed a petition for writ of certiorari in the US Supreme Court. Foster's petition was denied.

44. On October 9, 2014, in accordance with the rules of the PRC and prerequisite to filing a complaint against the Postal Service in the Commission, Foster contacted the USPS General Counsel through a Kevin Calamoneri for the purpose of scheduling a settlement conference. On October 16, 2014, Foster, Pro Se, conducted a settlement conference with James M. Mecone, Anthony F. Alverno, and Kyle R. Coppin, of the USPS Law Department, attorneys for the Postal Service. Without revealing the details, but referencing the procedure in the conference, the USPS Attorneys stated they did not need to hear or discuss any issues relating to the background of Foster's claims or the liability of Postal Service, they were only interested in hearing Foster's settlement demand. Foster requested the USPS Law Department to give him a few days to prepare a settlement demand.

45. On or about October 24, 2014, Foster served the USPS Law Department with his settlement demand. Foster reiterated that the basis of the settlement is the §404(a)(2) violations made by the Postal Service who unlawfully disclosed Foster's intellectual property to third parties, specifically Pitney Bowes, who misappropriated it in Volly.com, while §404(a)(3) and the PRC Order 2207 prohibits the Postal Service from directly using Foster's information without his permission.

46. Several days after serving the settlement demand, Foster received a call from James M. Mecone of the USPS Law Department. Contrary to their procedure in the settlement conference, Mr. Mecone asked Foster issues of background and liability. Mr. Mecone asked Foster, did he (Foster) have proof or evidence of the Postal Service directly using the Virtual P.O. Box intellectual property? Foster replied, at that time, that he only has the evidence presented, including the Postal Service's unlawful disclosure of Foster's intellectual property to its stakeholder Pitney Bowes, Inc. and the launching of Volly.com in the name of Pitney Bowes, Inc., *inter alia*. Mr. Mecone then said to Foster, "*When you have proof of the Postal Service directly using your intellectual property, contact us*." The issue that Mr. Mecone raised in this conversation seemed ironic, puzzling, and the cause of suspicion, which compelled Foster to review the Postal Service's current activities.

47. On November 4, 2014, Foster discovered the Postal Service was directly using identical features of the Virtual P.O. Box Initiative. Foster discovered Mailer Registration Identification (MIDs) and Customer Registration Identification (CRIDs). Foster contacted Mr. Mecone to inform him of his findings. Mr. Mecone and/or the Postal Service did not respond. Thereafter, on November 6, 2014, Foster discovered the Postal Service had implemented several other services including but not limited to the "Business Customer Gateway" which contains identical features of the Virtual P.O. Box intellectual property. Foster contacted Mr. Mecone and the Postal Service to address the infringement. Neither Mr. Mecone nor the Postal Service responded.

48. On November 12, 2014, the USPS Law Department responded to Foster's settlement demand stating, "The Postal Service does not agree to the demands..."

49. Foster made additional attempts to settle this matter with the Postal Service, to no avail. Mr. Mecone expressed to Foster the Postal Service did not have a counter settlement offer. Therefore, Foster is respectfully filing this Complaint in the Postal Regulatory Commission.

B. FACTUAL HISTORY OF BUSINESS/WORKING RELATIONSHIP BETWEEN DEFENDANTS USPS AND PITNEY BOWES INC.

Relevant Background-Events More Than 10 Years Ago

50. Foster, in his Pro Se Litigant status, with limited access to information regarding the activities of the Defendants, has discovered the Postal Service (USPS) and Pitney Bowes, Inc. (PBI) has maintained a business/working relationship that spans at minimum, ninety five (95) years. PBI invented the "postage meter and permit printing machine" in 1920 for the USPS. The use of the PBI postage meter was lobbied by PBI and USPS and was approved by Congress in 1921.

51. On May 24, 1969, in the years preceding the Postal Reorganization Act of 1971 (PRA), Pitney Bowes, along with other corporations, revolvers and politicians, formed the lobbying group called, "Citizens' Committee for Postal Reform" (CCPR). The CCPR was co-chaired by former PMG Lawrence F. O'Brien (postal revolver). The CCPR hired Claude J. Desautels (revolver), former executive assistant to former PMG O'Brien. The Postal Service tried to marshal support for the PRA by placing ads, soliciting donations, and asking real people or citizens to join the CCPR. The goal of the PRA was to convert the Post Office Department into a Government owned corporation.

52. In 2001, the USPS Deputy Postmaster General (Deputy PMG), John Nolan, and Pitney Bowes, Inc. CEO Michael Critelli formed and co-chaired the Mailing Industry Task Force (MITF). In the MITF, the Defendants shared knowledge, resources, ideas (intellectual property) and efforts for postal reform.

53. In addition to shaping postal legislation through entities like the CCPR and the MITF, the record shows Pitney Bowes, a Federal contractor, has been spending millions of dollars on campaign contributions and direct lobbying of Federal elected officials who handle postal reform. Since 1998, Pitney Bowes, Inc., has spent at least $2 Million on campaign contributions and over $18 Million on lobbying efforts. Pitney Bowes has 22 lobbyists, 16 of whom are “revolvers”, government employees and officials who left their government positions and now work as lobbyists.

Factual Background Less Than 10 Years

54. Based on data from the Center for Responsive Politics and the Federal Election Commission, in 2006, Pitney Bowes, Inc., a Federal contractor, through Pitney Bowes, Inc. Political Action Committee (Pitney Bowes, Inc. PAC), went on record for contributing Six Thousand Dollars ($6,000) to the campaign of a candidate of incumbent Virginia Congressman Tom Davis (R), the sponsor of the 2006 Postal Accountability Enhancement Act (PAEA) (Pitney Bowes, Inc. 2006 PAC list of contributions to Rep. Tom Davis (R-VA) is attached hereto, incorporated herein, and marked as **Exhibit “N”**). Pitney Bowes’ employees collectively contributed Eighty One Thousand Two Hundred and Fifteen Dollars ($81,215) for a total of Eighty Seven Thousand Two Hundred and Fifteen Dollars ($87,215) (Pitney Bowes, Inc. employees’ 2006 contributions to Rep. Tom Davis (R-VA) is attached hereto, incorporated herein, and marked as **Exhibit “O”**).

55. Pitney Bowes, Inc. CEO, at the time, Michael Critelli and officer Bruce Nolop contributed $10,000 each. These $10,000 contributions are among 7 contributions made by Pitney Bowes, Inc. employees that were in the aggregate exceeding the $2,000 limit. The data relating to the contributions made by Pitney Bowes employees is based on 90 donors who donated Two Hundred Dollars ($200+) or more. The record shows, the said donors are not residents of Virginia.

56. The record shows Pitney Bowes, Inc., a Federal contractor, has been making contributions to the campaigns of numerous candidates of Federal offices, who are decision makers in Congress on postal reform in the same manner. Former Senator Joe Lieberman chaired the Committee on Homeland Security and received campaign contributions from Pitney Bowes Inc. PAC for many years. In 2006, Pitney Bowes contributed $10,000, while the employees contributed $84,115 for a total of $94,115. This $10,000 contribution made by Pitney Bowes, Inc. PAC was in the aggregate exceeding the $5,000 limit. Additionally, many of the contributions made by Pitney Bowes, Inc. were in the aggregate exceeding the limit.

57. The record shows, between the years 2002 and 2014, Pitney Bowes, Inc., a Federal contractor, has contributed $601,580 to the campaigns of candidates of Federal offices of the U.S. Senate and House of Representatives. Pitney Bowes, Inc. PAC contributed; $44,000 to 40 candidates in 2002, $62,500 to 43 candidates in 2004, $50,080 to 39 candidates in 2006, $116,000 to 55 candidates in 2008, $76,500 to 33 candidates in 2010, $139,500 to 59 candidates in 2012, and $113,000 to 51 candidates in 2014. These numbers do not include the campaign contributions made by Pitney Bowes employees.

58. While the Postal Service is constantly closing facilities and laying-off employees, they have entered a work share partnership with Pitney Bowes, Inc. outsourcing mail processing work valued in the tens of millions of dollars that was previously done by Postal employees. In 2011, Pitney Bowes operated the largest national pre-sort network, approximately 41 mail processing facilities that generated Five Point Three Billion Dollars ($5.3 Billion) in revenue.

59. Pitney Bowes, Inc. funded in part and was underwriter of a study entitled, "*REFORMING THE U.S. POSTAL SERVICE, An Independent Review of a Thought-Leader Proposal to Reform the U.S. Postal Service*". This study was released March 2013. Foster discovered said study in an article entitled, "*Pitney Bowes Funds a Study to Privatize the Postal Service, Could Make Billions Off the Plan*". A review will show the study is about a proposal to create a "public-private hybrid" postal system. Under the proposal, two-thirds of the Postal Service's operations, the retail and processing components (the "upstream activities") would be privatized, giving Pitney Bowes, Inc. a clear advantage to benefit from the move.

II. LEGAL ANALYSIS

A. DEFENDANTS' CONSPIRACY TO COMMIT COLLUSION FOR THE DEMISE OF THE GOVERNMENT OWNED CORPORATION, CONSPIRACY TO SABOTAGE, DISMANTLE, AND THEN PRIVATIZE THE UNITED STATES POSTAL SERVICE

60. Plaintiff incorporates all preceding paragraphs, 1-51, as if set forth herein at length.

61. Preponderance of the evidence and events will show motive and corroborate Foster's claims that the Postal Service and operatives John Does 1-10 conspired with Pitney Bowes Inc. to sabotage the Postal Service's operations, liquidate the Postal Service's assets, and used the USPS OIG to help steal Foster's intellectual property resulting in numerous violations of Federal Laws including but not limited to, unfair or deceptive acts or practices, a government agency in concert or on behalf of the Postal Service in acts of unfair competition, RICO violations, collusion, bid rigging/insider trading, market division, *inter alia*.

Legal Analysis of Relevant Background-Events More Than 10 Years Ago

62. While Defendants USPS and Pitney Bowes, Inc. have in several instances cloaked their respective interests, intimacy in their relationship, interdependence, goals and intent, the record shows the 95 year relationship between the Defendants exceeds that of a Federal Government Agency and its supplier or Federal contractor/private entity. Over this ninety five (95) year period, the Defendants, USPS, USPS operatives, and Pitney Bowes, Inc. have forged what began as a relationship between a Federal Government Agency and its supplier, but has evolved, or devolved, into an un-ethical level of interdependence, based on private business interests and engaging in deceptive methods of racketeering. The record shows the Postal Service has acted outside the boundaries a government agency and violated the Standards of Ethical Conduct for Employees of the Executive Branch, *inter alia*.

63. The record shows Pitney Bowes, Inc. is the Postal Service's largest supplier of machinery/technology, and in that respect, is the largest stakeholder to the Postal Service. The record shows, for more than 45 years, Pitney Bowes and the Postal Service have been major proponents for Postal Reform. The Defendants acted in concert in employing deceptive devices to perpetuate their scheme including the forming of the lobbying entity called the "Citizens Committee for Postal Reform". The Defendants used the façade of a citizens group to cloak their corporate status and their business interests as they pushed for the Postal Reorganization Act of 1971. The record shows the formation of the CCPR was announced May 24, 1969, with the passage of postal corporation legislation as its goal. Significantly, as with most of the Defendants' activities, Pitney Bowes was the only corporation that was a supplier of machinery/technology to the Postal Service on the list of contributors to the CCPR. None of Pitney Bowes' competitors were on the list. The other corporations on the list of contributors were mass mailers. It is reasonable to conclude the legitimacy of the CCPR was questionable. It is also reasonable to conclude the Postal Service and its operatives knowingly and willingly acted in concert with Pitney Bowes in creating or supporting the façade of the CCPR for the goal of the passage of postal corporation legislation. Moreover, Pitney Bowes is the private corporation that is uniquely positioned to receive unique benefits from the legislation, thereby creating an unfair competitive edge or unfair competition in violation of the antitrust laws.

64. In 2001, the USPS Deputy Postmaster General (Deputy PMG), John Nolan, and Pitney Bowes CEO, Michael Critelli, formed and co-chaired the Mailing Industry Task Force (MITF). In the MITF, the Defendants shared knowledge, resources, ideas and efforts for postal reform.

Legal Analysis of Relevant Background-Events Less Than 10 Years Ago

65. The record shows the Defendants have a history of employing deceptive, manipulative devices and practices that influenced Federal offices to pass postal legislation or make official acts benefitting their personal and business interests. In 2006, Pitney Bowes, Inc. Political Action Committee (Pitney Bowes, Inc. PAC) went on record for contributing Six Thousand Dollars ($6,000) to the campaign of Virginia Congressman Tom Davis, while Pitney Bowes' employees collectively contributed Eighty One Thousand Two Hundred and Fifteen Dollars ($81,215) for a total of Eighty Seven Thousand Two Hundred and Fifteen Dollars ($87,215). Pitney Bowes, Inc. CEO, at the time, Michael Critelli and officer Bruce Nolop contributed $10,000 each. These $10,000 contributions are among 7 contributions made by Pitney Bowes, Inc. employees were in the aggregate exceeding the $2,000 limit.

66. What makes this behavior even more questionable is, Pitney Bowes, Inc. was and is a Federal contractor to the Postal Service, while Rep. Tom Davis was an incumbent candidate of a Federal office, the Chairman of the House Government Oversight and Reform Committee who makes official acts related to the Postal Service and was the sponsor of the 2006 Postal Accountability Enhancement Act. The record shows Rep. Tom Davis held the Federal office from 1995-2008 and was Chairman of the House Government Oversight and Reform Committee from 2003-2007. It is reasonable to conclude Pitney Bowes, Inc. and its employees used the campaign contributions to perpetuate their personal and business interest with the election of Congressman Davis and the implementation of his official acts, specifically the passing of the Postal Accountability Enhancement Act. It is reasonable to believe that further discovery will show the said contributions made in the name of the Pitney Bowes employees were; solicited by Pitney Bowes, Inc. and/or; fraudulently concealed contributions that were reimbursed to said employees and actually made by Pitney Bowes, Inc. This practice constitutes violations of 52 U.S.C. §30122; 110.4(b), 115.2, 115.4, 114.5(b)(1), *inter alia*.

67. While the rules of the Code of Federal Regulations Title 11 Federal Election Commission are intended to maintain the integrity and honest service of Federal Officials and prevent Federal contractors from influencing official acts benefitting the Federal Contractors' personal and business interests, the Defendants and their legal strategists have found loopholes in the laws. While 11 CFR explicitly prohibits a Federal contractor from making contributions to the campaigns of candidates of Federal offices, Advisory Opinion 1994-11 FMC contradicts this prohibition.

68. Advisory Opinion 1994-11 FMC was based on FMC, a government defense contractor who sought the advice of the Federal Election Commission, who for many years has sponsored a separate segregated fund named the FMC Corporation Good Government Program (campaign fund raising program). In January 1994, FMC and Harsco Corporation ("Harsco"), another government defense contractor, organized a limited partnership, United Defense, L.P. ("United"), to carry on all of FMC's and Harsco's defense contractor business. In pertinent part, FMC sought the advice of the FEC as to whether FMC employees that transferred to United could continue to participate in the campaign fund raising program.

69. Advisory Opinion 1994-11 FMC states in pertinent part, "*The prohibition, however, does not prevent a Federal contractor corporation from establishing and administrating a separate segregated fund, and soliciting contributions to that fund, in accordance with the provisions applied to corporations under 2 USC §441b (b) and 11 CFR Part 114., 2 USC §441c (b), 11 CFR 115.3(a)*".

70. In most cases, the Federal contractors are corporations. It is Foster's belief, once a corporation gains the status of a Federal contractor, the corporation must be prohibited from; influencing official acts benefitting their personal and business interest by making contributions to the campaigns of candidates of Federal offices. Furthermore, 11 CFR §115.1(a) Definitions-states, "A *Federal* contractor means a "person", as defined in 11 CFR 100.0…", while 11 CFR 110.10 states, "*Person* means an individual, partnership, committee, association, "corporation",… If a Federal contractor is a person, and a person is a corporation, then a Federal contractor is a corporation. Therefore, contrary to Advisory Opinion 1994-11 FMC, the prohibition <u>does</u> prevent a Federal contractor corporation from establishing and administrating a separate segregated fund, and soliciting contributions to that fund…as 11 CFR 115.2(a) sets forth-"*It shall be unlawful for a Federal contractor, as defined in 115.1(a), to make, either directly or indirectly, any contribution or expenditure of money or anything of value, or promise expressly or impliedly to make any such contribution or expenditure to any political party, committee, or candidate for Federal office or any person for any political purpose or use*".

71. Additionally, pertaining to §441c, the interest is avoiding *quid pro quo* corruption or the appearance thereof, which is a "sufficiently important interest". *See* <u>Buckley v. Valeo</u>, 424 US 1, 25-26 (1976). It is Plaintiff's belief that Advisory Opinion 1994-11 FMC is a clear misinterpretation of the laws and opens the door for political corruption and should be abolished.

72. Moreover, in Wagner v. Federal Election Commission, the Federal District Court of the District of Columbia upheld the ban on contributions from Federal Government contractors. The Courts find that "*Under 2 USC §441(c), entitled, "Contributions by government contractors", no one who contracts with the Federal Government may contribute, directly or indirectly, to any political party, committee, or candidate for public office, or to any person for any political purpose or use. Nor may anyone promise or solicit such a contribution*". (*See* Wagner v. Federal Election Commission Case 1:11-cv-01841-JEB).

73. In light of the Federal District Court's prevailing ruling in Wagner v. Federal Election Commission, no Federal contractor, including the Defendants, may contribute, directly or indirectly, to any political party in the interest of avoiding *quid pro quo* corruption or the appearance of corruption.

74. While the said data did not list the Pitney Bowes employees who contributed less than $200 to Congressman Davis' campaign, it is reasonable to conclude collectively, Pitney Bowes, Inc and its employees' total contribution could well exceed $87,215. While this practice by Defendant Pitney Bowes, Inc. may or may not be illegal, it is certainly deceptive, unethical, and self serving with an ulterior motive to influence official acts benefitting the Defendants' personal and business interest. Additionally, this practice by the Defendants causes the appearance of *quid pro quo* corruption.

75. Moreover, while it may not be illegal, this practice begs for an urgent earnest assessment of what Plaintiff perceives as an absurd ethical violation and financial manipulation of the candidate's honest duty to act in the interest of the people. In other words the candidate will be forced to vote in his financial interest and not in the interest of the people. Pitney Bowes is a Federal contractor, but appears to have devised opportunity, by way of loopholes, to influence a Federal office and official acts benefitting Pitney Bowes' personal or business interest, in violation of 2 USC §441(c),18 U.S.C. §201(b)(1)(A).

76. The evidence shows, from Congressional election cycles 2002-2014, Pitney Bowes has contributed $601,580 to the campaigns of candidates of Federal offices. This number does not include the contributions of Pitney Bowes employees who in the 2006 campaign of Tom Davis gave nearly 18 times as much as Pitney Bowes, Inc., and over 8 times as much to Joe Lieberman's campaign the same year. It is reasonable to conclude Pitney Bowes employees have contributed over $6,000,000 to the campaigns of Federal offices.

77. The Defendants, USPS and Pitney Bowes, have been pushing for postal "reform" for more than 45 years. Both Defendants were strong proponents of the 2006 PAEA. It is reasonable to conclude both Defendants were active in the construction of the PAEA and were fully aware of the details, changes and reform the PAEA proposed including, but not limited to, the mandate that the USPS pay seventy five (75) years worth of future retiree pensions within ten (10) years. This mandate, amongst others, was intended to create a crisis for the Postal Service.

78. The record shows both Defendants are now claiming the PAEA and its pension mandate is responsible for the Postal Service's failing financial condition and losses of $47 Billion since 2006. The evidence shows the Defendants' goal was total postal “reform” (privatization) disguised as making the Postal Service a Government-owned corporation.

79. The Defendants goal was and is to take control of most of the USPS $75 Billion Dollar operating budget. The evidence shows, as part of their scheme, the Defendants used the term postal reform as a façade to conceal their true intentions of privatization of the Postal Service, specifically the “upstream postal operations”. The Defendants acted in concert in all efforts leading to postal reform including the enactment of the PRA of 1971, the PAEA of 2006, and all postal related bills that followed.

80. The Defendants’ *modus operandi* was; (1) gain total Postal reform, (2) set up private mail processing facilities, (3) outsource billions of dollars worth of mail processing work to the private facilities with “work share” discounts that are not in compliance, (4) push for laws that would manufacture a crisis, (5) sabotage the USPS operations causing it to suffer losses in the billions, (6) liquidate Postal Service assets through sales of Postal Service properties including the sale of historic properties, (7) make the Postal Service appear insolvent. The appearance that the Postal Service is insolvent is intended to discourage other potential bidders. The Defendants then push for privatization in which Pitney Bowes would be the only interested and most prepared bidder. This ongoing scheme is to the benefit of Pitney Bowes, USPS operatives and revolvers of the Postal Service.

81. The Postal Operatives continued sabotaging and dismantling the Postal Service by closing and selling facilities, establishing hybrid post offices, and laying-off employees, while Pitney Bowes operates about 41 said mail processing facilities, the largest national pre-sort network and largest USPS work share partnership in mail processing. The USPS paid Pitney Bowes$22.8 Million in 2011, $30 Million in 2012, and $44.5 Million in 2013. While USPS revenues are declining, their workshare payments to Pitney Bowes for mail processing rises.

82. Much of the said mail processing and monies could be done and paid to Postal employees at a cheaper rate. The PRC 2014 ADC Report found that 26 workshare discounts did not comply with section 3622(e). At a time when our Government-owned corporation is in financial dire straits, giving any workshare discounts that exceeds the avoided costs is counterproductive, self defeating, senseless and can only add to the detriment of the Postal Service. This practice constitutes divestment of the USPS competitive product funds.

83. The previous facts also provide additional answers to the questions; Why the USPS failed to repair their failing financial condition by implementing Foster's Virtual P.O. Box Initiative or the similar initiatives that Joseph Adams referred to? Or, after showing great interest, why did the Postal Service disregard the modern service standards and make the globally needed, smart business investment and addition of a "secure digital delivery services" to its "secure physical delivery services?" Answer; The Defendants did not want to repair the USPS failing financial condition. Repairing the USPS financial condition would interfere with the Defendants scheme to privatize the Postal Service.

84. The Defendants denied the Postal Service the opportunity to repair its financial condition by implementing Foster's Virtual P.O. Box Initiative. The Defendants claimed to have been considering similar ideas to Foster's Virtual P.O. Box Initiative that were never implemented (none as a viable product). Even though, only two months earlier, USPS Witnesses gave Congressional Testimony that was unproductive since the Witnesses failed to present any viable solution to the USPS financial condition. Moreover, the USPS Witnesses did not present any similar ideas to Foster's Virtual P.O. Box Initiative.

85. The Defendants expanded their workshare partnership by establishing approximately 41 private mail processing facilities, the largest national pre-sort network that generates billions of dollars, in the name of Pitney Bowes. The Defendants exploited the USPS Workshare Program to the point where it has become an incentive for postal facility closings and employee layoffs, dismantling the Postal Service. It is reasonable to conclude, the Postal Operatives did not operate the Postal Service as a "Government owned corporation", while they made it appear they were doing what's best for business, their decisions were intentionally not to the benefit of the "U.S. Government", nor the "corporation". The role Pitney Bowes plays in the Postal Service and postal affairs has evolved beyond that of a Federal contractor to a Government agency or Government-owned business. According to the evidence, the Postal Operatives operated the USPS like a "host" that progressively provides business, opportunity and atmosphere to feed the growth of its consuming supplier or stakeholder.

86. As part of their plot to sabotage and dismantle the Postal Service, the Defendants engaged in the liquidation and sale of Postal Service properties well below market value, and the noncompliant or unlawful sale of historic properties. The USPS OIG April 16, 2014, Preservation and Disposal of Historic Properties Audit Report Number SM-AR-14-004 found the Postal Service: (1) *did not know how many historic properties it owned or the cost to preserve them as required by the national Historic Preservation Act*, (2) *failed to report the status of its historic artwork to the National Museum of Art, as required by Postal Service Handbook RE-6, facilities and Environmental Guide, when the Defendants sold 10 historic properties*, (3) *as of July 2013, it had 25 historic properties listed for sale and was considering selling another 28*.

87. The USPS OIG conducted an audit of Postal Service property sales, leases, and the contract between the Postal Service and CB Richard Ellis, Inc. (CBRE). CBRE is the sole provider of Postal Service real estate management services. The OIG's audit pertaining to the Postal Service and CBRE resulted in three (3) reports; (1) "*Contracting of Real Estate Management Services*" Report Number SM-AR-13-001, dated June 12, 2013, (2) "*Risk Associated With CB Richard Ellis, Inc. Contract*" Report Number SM-MA-14-003, dated February 12, 2014, and, (3) "*Postal Service Management of CBRE Real Estate Transactions*" Report Number SM-AR-15-003, dated April 22, 2015.

88. The USPS OIG audit Report Number SM-AR-13-001, dated June 12, 2013 found: (1) *Postal Service Facilities officials should improve oversight to mitigate inherent risks associated with the CB Richard Ellis contract. Specifically, there are conflict of interest concerns and no maximum contract value. In addition, the contracting officer did* *not properly approve contract payments, appoint contracting officer's representatives to monitor contract performance, or ensure services were provided. As a result, it is difficult for the Postal Service to determine whether the outsourcing effort has been or will be effective in reducing costs. Conflict of interest concerns exist because the contractor provides a range of property values to negotiate a lease and receives a commission from the lessor based on the property value negotiated. Further, the contractor acts on behalf of the Postal Service in negotiating leases and the contractor can also represent the lessor. The Postal Service established a targeted incentive for reduced lease rates, but in the first year of the contract did not meet the target. In addition, facilities officials did not establish a maximum contract amount, which poses the risk of escalating contract costs. Officials increased contract funding from $2 million to $6 million and, as of February 2013, contract payments exceeded $3 million. Lastly, in fiscal year 2012, employees not appointed contracting officer's representatives certified $1.7 million for invoices, including $1.1 million for services requested and certified by the same individual, which presents an increased risk of fraud. Ineffective contract oversight poses an increased risk to the Postal Service's finances, brand, and reputation*.

89. The USPS OIG audit Report Number SM-MA-14-003, dated February 12, 2014 found: *As a result of our audit and ongoing concerns surrounding the CBRE contract, we have identified additional information that increases the financial risks to the Postal Service. Specifically, Postal Service officials modified the contract in June 2012 to allow CBRE to negotiate on behalf of the Postal Service as well as prospective buyers and lessors in the same real estate transaction. Also, CBRE was responsible for* *soliciting appraisals to determine the fair market value of the properties that it then sells and leases. The contract modification also requires CBRE to notify the Postal Service of any actual or potential conflicts of interest, such as owning or having an interest in a property that may be part of a Postal Service real estate transaction. To date, CBRE has not notified the Postal Service of any such conflicts. Given the multiple roles CBRE plays within the real estate industry, the Postal Service should take steps to lessen the potential for CBRE to engage in transactions that create conflicts of interest. CBRE conflicts of interest could lead to financial loss to the Postal Service and decrease public trust in the Postal Service's brand*.

90. The USPS OIG audit Report Number SM-AR-15-003, dated April 22, 2015 found; *Management continues to allow CBRE to collect commissions from lessors for lease negotiations in addition to payments from the Postal Service based on performance targets for lease renewals. Management also allows dual agency transactions, enabling CBRE to represent and negotiate for both the Postal Service and buyers or lessors. These actions are inherently risky and create conflicts of interest whereby CBRE may not negotiate property sales and lease transactions in the Postal Service's best interest or may capture opposing party fees from the Postal Service*.

91. In reference to the Postal Service's leases, the USPS OIG found; *Lessors in the past often negotiated leases directly with the Postal Service without representation. However, since the start of the CBRE contract, some lessors have told the OIG of having been approached by CBRE agents regarding required payment of a commission to CBRE. In these instances, the lessors expressed that they were told if they did not* *agree to pay CBRE a commission, CBRE, as the Postal Service's representative, would find another building and discontinue the lease. This does not provide the Postal Service with best value from such a contractor*. The report said "*We also received allegations that CBRE announced, rather than negotiated, the Postal Service's lease rate to lessors. CBRE informed the lessors they could 'recover' commission fees from the Postal Service's increased rents to them." CBRE represented that the fee would, in effect, be paid by the Postal Service. If true, the contractor is causing the Postal Service to pay for CBRE to negotiate against the Postal Service. CBRE made the process for commissions appear to be mandatory despite the fact that the Postal Service had no such requirement. This arrangement allowed CBRE to negotiate with no parties present, representing both the lessor and the Postal Service and being paid by both. Postal Service officials were aware that CBRE increased the rent amount to include commissions and indicated this was an industry standard—even though CBRE's contract states that the Postal Service will not pay CBRE commissions for negotiating lease transactions, if the lessor refuses to pay them*.

92. The OIG Report said, "*We analyzed all Postal Service leases expiring between October 2012 and September 2016 and found CBRE collected lessor commissions on 3,405 of the 4,718 leases it renegotiated. These commissions totaled $20.6 million. CBRE can also collect payments from the Postal Service based on performance targets for lease renewals*.

93. The OIG reports stated, "*Of 4,718 leases CBRE negotiated for the Postal Service, the average annual rent increase was $2,792 higher than the prior lease rate.*

This is more than three times higher than the Postal Service's average rent increase of $773 for the 11,075 leases that the Postal Service renegotiated without CBRE. As a result, the Postal Service could be overpaying an estimated $9.5 million per year for leases already negotiated by CBRE. Further, CBRE renegotiated 57 of the 4,718 Postal Service leases at a rate increase of 200 percent or more than the previous lease rate. We referred the 57 CBRE lease transactions and the lessors' allegations that CBRE is including commission fees in rents paid by the Postal Service to the OIG's Office of Investigations for further review. Based on our review of lease negotiations, we found: The Postal Service did not accurately identify CBRE as the lease negotiator in the facilities management system for 1,049 leases, with annual rents totaling about $59 million. Tracking leases CBRE negotiates is essential for properly managing these transactions".

94. The OIG report stated, "*For 30 randomly selected lease negotiations that we (OIG) reviewed, totaling about $4.7 million in annual rents, 26 did not have supporting documentation to capture the proposed lease rate to review against the final negotiated rate. The Postal Service did not require CBRE to record initial offers, which are necessary to ensure the transparency and reasonableness of the negotiated lease amounts. Additionally, documentation for market rent rates and analyses for all 30 were not centrally maintained in the facilities management system. Postal Service employees did not itemize the detailed expenses invoiced by CBRE in the facilities management system for 111 of the 246 payments made to CBRE for later analysis. The 111 payments totaled about $466,000. Itemization is needed to enable management review*.

95. In reference to property sales, the OIG Report found; *we also found problems with 14 of the 21 sale transactions we reviewed. Specifically: All of the properties were sold within the goal of 90 percent or greater of the appraised values; However, CBRE solicited the appraisals. There were also shortcomings in the appraisal methodology for seven of the 21 properties that could have affected the estimated market values. Postal Service employees did not detect these discrepancies and did not complete checklists, as required, for six of the seven properties to ensure the questionable appraisals were revised*.

96. *Employees could not locate a file to support the sale of one property for $2 million and did not maintain appraisal reviews to support the sale of two properties totaling about $6.4 million. Eight properties that sold for about $15.9 million were incorrectly coded as "active" (not sold) in the facilities management system*.

97. *For five properties, we also found potential relationships between the buyer and CBRE. We referred these transactions to the OIG's Office of Investigations for further review. Four of the five properties were sold at or above their appraised value, although appraisals for three of the properties were questionable. Without proper oversight of real estate transactions, the Postal Service is at increased risk of having inaccurate valuation of its marketed and leased properties. Documenting and recording transactions in the Postal Service's facilities management system is necessary to ensure transparency in the negotiation process and related costs*.

98. *Finally, management did not fully implement a prior OIG recommendation to designate contracting officer's representatives to monitor contract performance and* *approve payments to CBRE. Between July 1, 2013, when management agreed to implement the prior recommendation, and September 30, 2013, employees not designated as contracting officer's representatives, authorized 12 payments, totaling about $63,000. Because the contracting officer or a designated contracting officer representative did not approve payment authorizations, there is an increased risk of poor contract oversight, unauthorized expenditures, and contract changes*.

99. The evidence shows the Postal Service has been recklessly and intentionally negligent in the oversight of their property management in leases and sales. While the findings of USPS OIG's audits indicate the Postal Service contract with CBRE is questionable, and many of the property transactions were probably acts of misconduct or unlawful practices, the OIG fails to identify the motive for such reckless behavior. The findings of Plaintiff provides motive that needs to be considered by the USPS OIG.

100. The parties in question are the Postal Service, CBRE, and Pitney Bowes, Inc. The parties in question are well tuned enterprises. Each action taken by the parties was well considered prior to its execution. The Postal Service's property management contract was awarded to CBRE by design and not through fair bidding process. The next question is, while the nexus between the Postal Service and Pitney Bowes, Inc. has been determined, what is the nexus between Pitney Bowes, Inc. and CBRE?

101. The record shows, from1993 to 1999, Robert F. Krohn was Founder, Chairman and CEO of Presort Services, Inc (PSI Group), while Bill Dana was the President of the largest mail presorting company at the time. In 1999, Pitney Bowes, Inc. bought PSI Group. PSI Group was renamed Pitney Bowes Presort Services, Inc.

As part of the acquisition, Robert F. Krohn remained Founder, Chairman, and CEO of Pitney Bowes Presort Services, Inc. while Bill Dana remained president. Thereafter, Bill Dana, who served as Vice-President of brokerage to Mega (real estate firm) from 1988-1993, returns to MEGA after the merge with CBRE in 2002, as Vice President of Brokerage to CBRE/MEGA.

102. Moreover, Steven Bardsley, the former Director of Real Estate and Facilities Management to Pitney Bowes, Inc., is the Senior Vice President of Investment Properties to CBRE. (a true and correct copy of Bill Dana and Steven Bardsley CBRE overviews are attached hereto, incorporated herein, and marked as **Exhibit "P"**)

103. The Postal Service awarding CBRE their property management contract was an act of cronyism, collusion, and insider bidding, in violation of the antitrust laws. The record shows the nexus and business relationships between the parties, Postal Service, Pitney Bowes, Inc., and CBRE. The common goal of the Defendants is the dismantling and demise of the Postal Service and its assets. CBRE's role is to liquidate the Postal Service historic and commercial properties and make themselves some money or basically, "write their own check" in the process. Moreover, the role of CBRE is to take the blame and cloak the Defendants' liability for any misconduct thereof.

104. The intentional injury, to the Postal Service and liquidation of its assets by the Defendants constitute acts of employee sabotage and violations of 18 USC §1707, §1712, *inter alia*.

105. Aligned with their deceptive tactics of; (1) shaping Postal legislation with means including establishing the CCPR posing as a citizens' group but were truly a lobbying group for USPS Stakeholders, (3) a Federal contractor, exploiting their corporate status making campaign contributions to candidates of Federal Offices to influence official acts benefitting their personal and business interest (quid pro quo corruption), (4) inducing the failing financial condition of the Postal Service, and (5) awarding CBRE the Postal Service property management contract to liquidate Postal Service properties and cloak the Defendants' misconduct in the property liquidation, Pitney Bowes, Inc. then funded a so called "independent" review based on a 2012 proposal to privatize the upstream activities of the Postal Service. The full title of the 2013 review is "An Independent Review of a Thought Leader Concept to Reform the US Postal Service".

106. The erroneous title is intended to create the façade that the review was independent even though it was underwritten by Pitney Bowes, Inc.; one of the largest stakeholders in the mailing industry who is prepared to gain billions of dollars should the review be an effective incentive in the privatization of the Postal Service. It is reasonable to conclude Pitney Bowes, Inc., the largest presorting network in the Nation, is the most prepared corporation and will benefit the most should the Postal Service privatize its upstream activities.

107. The allegations contained in paragraphs 61-106, detailing the deceptive acts and misconduct of the Defendants relating to the ongoing sabotage, dismantling, and demise of the USPS raise serious causes of action including collusion, insider trading/bid rigging, market division, RICO, violations of 39 U.S.C. §404(d), *inter alia*.

B. DEFENDANTS' MISCONDUCT AGAINST FOSTER

108. Foster contacted and introduced the Virtual P.O. Box Initiative to Defendant USPS through Linda Kingsley, Senior Vice President Strategy and Transition. The Virtual P.O. Box Initiative was Foster's technological innovation. The Virtual P.O. Box Initiative was conceived to be a secure digital delivery service. Foster intended to partner with the Postal Service in the implementation and operation thereof. The purpose of the Virtual P.O. Box Initiative was to provide secure delivery service for the Nation's digital communications and money transfers, and repair the Postal Service's failing financial condition. Ms. Kingsley instructed Foster to upload the Virtual P.O Box Introduction into the USPS Innovations Data Base. Foster uploaded his intellectual property on or about May 25, 2007.

109. Defendant USPS, through Thomas Cinelli, USPS Manager of Strategic Business Initiatives, disclosed Foster's intellectual property to internal stakeholders. In the Postal Service's May 31, 2007 email, Thomas Cinelli states, "*I am moving the concept through a number of internal stakeholders*".

110. The record shows the USPS protocol for consideration and approval of new products and services includes the Deputy PMG (approval) and the USPS OIG (analysis and recommendation), while the PMG is informed. Therefore, Mr. Cinelli was referring to the PMG Jack Potter, Deputy PMG Patrick Donahue, USPS OIG Dave Williams, and a number of Postal Executives/employees, the decision makers in various departments within the Postal Service, wherein their participation is required. It is also reasonable to conclude these internal stakeholders were delegated to consider the key issues of Foster's initiative as these issues relate to the USPS, including marketing, the USPS USO, viability, legal/regulatory, and technical.

111. In the Postal Service's June 11, 2007 email, Thomas Cinelli stated, "…*will be in touch after I have received responses from potential stakeholders*". The record shows USPS Supplying Principles and Practices protocol for new products is to identify key stakeholders and communicate with incumbent suppliers early. The potential stakeholders are incumbent suppliers and mass mailers, third parties. The record shows Defendant Pitney Bowes, Inc. was the "key" or "potential stakeholder" referred to by Mr. Cinelli in said email. The evidence shows the Postal Service disclosed Foster's intellectual property to third parties in violation of 39 U.S.C. §404(a)(2) which prohibits the Postal Service from compelling the disclosure of intellectual property to any third party. The Postal Service disclosed Foster's trade secrets without Foster's authorization in violation of 18 USC §1832.

112. Moreover, if and when the Postal Service deems it necessary to disclose intellectual property to key stakeholders and incumbent suppliers for any reason including consideration of viability, the key or potential stakeholders and incumbent suppliers must be deemed Postal or Government employees. 28 U.S.C. §2671- Definitions, in pertinent part defined government employees as: "*persons acting on behalf of a federal agency in official capacity, temporarily or permanently in the service of the United States, whether with or without compensation*"… Therefore, these key or potential stakeholders and incumbent suppliers with whom the Postal Service discloses intellectual property to for consideration or opinion, must be deemed Government employees and must be held accountable to the same laws and regulations as the Postal Service.

113. Or the act of Postal Service disclosing intellectual property to USPS Stakeholders or non-postal employees must be deemed as ongoing violations of 404 (a)(2), *inter alia*. At the time when the USPS disclosed Foster's intellectual property to its potential stakeholders, the Defendants had, amongst other things, an 87 year intimate, interdependent business relationship. Pitney Bowes, Inc. was the USPS primary machinery/technology supplier, USPS "key" Stakeholder, and biggest stakeholder in the mailing industry. USPS Stakeholder Pitney Bowes, Inc. must be held accountable to the same strict laws, statutes, and restrictions as the Postal Service when receiving intellectual property or material nonpublic information.

114. Moreover, the unfair or deceptive act or practice by the USPS, disregarding the laws that expressly prohibits the disclosure of intellectual property to any third party, who then discloses a person's intellectual property to third parties without holding said third parties accountable makes this practice unconstitutional, an act of discrimination and violates 42 U.S.C. §1983, *inter alia*.

115. Therefore, the Postal Service's decision to disregard or violate the provisions or prohibitions of §404 (a)(2), by disclosing Foster's intellectual property to third parties, was intentional and indicates the responses of the "potential stakeholders" (Pitney Bowes) were of greater value to the Postal Service than observing its governing laws or the consequences for violating said laws. Moreover, the Postal Service's intentional disregard for its governing laws further indicates said third parties or "potential stakeholders" (Pitney Bowes) had a greater interest in the said intellectual property than that of an advisor or consultant.

116. Evidence shows Pitney Bowes, Inc. was the primary or key potential stakeholder of whom the USPS disclosed Foster's intellectual property. The USPS Deputy PMG and CEO to Pitney Bowes, Inc. co-chaired the MIT. Neither the Postal Service nor Pitney Bowes ever denied Foster's allegation that the Postal Service disclosed Foster's intellectual property to Pitney Bowes in any of the court proceedings. The Defendants' intentional violations of §404(a)(2) constitutes misappropriation of trade secrets and is the beginning of the Defendants' conspiracy to steal Foster's trade secrets in violation of 18 USC §1832. 18 USC §1832- Theft of Trade Secrets- **(a)** *Whoever, with intent to convert a trade secret, that is related to a product or service used in or intended for use in interstate or foreign commerce, to the economic benefit of anyone other than the owner thereof, and intending or knowing that the offense will, injure any owner of that trade secret, knowingly-* **(1)** *steals, or without authorization appropriates, takes, carries away, or conceals, or by fraud, artifice, or deception obtains such information*; **(2)** *without authorization copies, duplicates, sketches, draws, photographs, downloads, uploads, alters, destroys, photocopies, replicates, transmits, delivers, sends, mails, communicates, or conveys such information*; **(3)** *receives, buys, or possesses such information, knowing the same to have been stolen or appropriated, obtained, or converted without authorization*; **(4)** *attempts to commit any offense described in paragraphs (1) through (3)*; or **(5)** *conspires with one or more persons to* *commit any offense described in paragraphs (1) through (3), and one or more of such persons do any act to effect the object of the conspiracy, shall, except as provided in subsection (b), be fined under this title or imprisoned not more than 10 years, or both*. **(b)** *any organization that commits any offense described in subsection (a) shall be fined not more than $5,000,000*.

117. In 2007, after gaining a positive response or approval from the internal and potential stakeholders, the Postal Service asked Foster, "*When the subscribers to the Virtual P.O. Box make payments, in whose account will the money be deposited*?" Foster responded, "*Since banking is automatic, the monies can be deposited in my account and the USPS monies will be automatically transferred into the USPS account,… and moreover, we can get developers from the private sector to develop the web site and software for the Virtual P.O. Box, that way we won't have to wait on the USPS Technical Department, as long as we meet their (USPS Technical Department) requirements*."

118. Thereafter, Foster received a call from Mr. Cinelli who said, "*I have finally gotten a response from the USPS Law Department, and they said I am to cut off negotiations with you, and I should direct you to the USPS Un-Solicited Proposal Program"* (USPS UPP). Though the Postal Service clearly solicited Foster's proposal, the act of directing Foster to the USPS UPP is another form of solicitation that indicated the Postal Service's continued interest in Foster's intellectual property. Foster still followed Mr. Cinelli's suggestion and reviewed the criteria of the USPS UPP. Foster's intellectual property, the Virtual P.O. Box Initiative did not fit the criteria of the USPS UPP.

119. Foster attempted to contact Mr. Cinelli to explain the USPS UPP was improper and to give the Postal Service an opportunity to reconsider their decision to withdraw from the previous negotiations. Foster was told Mr. Cinelli, Linda Kingsley, and Linda Stewart was no longer available. Foster later discovered Linda Kingsley (USPS SVP of Strategy and Transition), and Linda Stewart (Mgr. Strategic Business Initiatives) were demoted, and Mr. Cinelli had expired.

120. At that time, Foster was unaware of the Postal Service's reasoning behind the question pertaining to "whose bank account customer's money will be deposited in". The following provides reasonable indications that the Postal Service wanted to control the interest that would be accrued from Billions of Dollars being deposited in their account, while Pitney Bowes, Inc., key stakeholder and incumbent technology supplier to the Postal Service, was waiting to develop the web site and software for the Virtual P.O. Box Initiative so they can be paid Billions of Dollars in licensing fees.

121. Foster later discovered a pending case that was similar in nature, where the Postal Service wanted to control the interest that would be accrued from customers' payments, while Pitney Bowes, Inc., who developed the technology, earned the licensing fees. The case involved a business arrangement between the Postal Service, Pitney Bowes, Ascom Hasler Mailing Systems, Inc., and other postage meter companies known as "resetting companies". The Postal Service was the Defendant, while Pitney Bowes, Inc., Ascom Hasler Mailing Systems, Inc., and other postage meter companies were the Plaintiffs.

122. The case was brought against the Postal Service for passing regulations that discontinued Postage by Phone customers' monies from being deposited in the resetting companies' account, denying the Plaintiffs the control of the interest that was accrued, a practice of which the Plaintiffs had enjoyed for 17 years. The regulation required the Postage by Phone customer's monies to be deposited in the Postal Service's account so the Postal Service will control the interest that was accrued. Ironically, Pitney Bowes, who developed the technology and collected licensing fees, was also a plaintiff against the Postal Service for passing said regulations. The following is an excerpt from Court's Memorandum and Opinion in Civil Action No. 00-1401 in the United States District Courts for the District of Columbia.

> In the 1960's, Pitney Bowes invented, patented, and developed the Computerized Remote Meter Resetting System ("CMRS") trade named "Postage by Phone". Pitney Bowes entered into a Statement of Understanding ("SOU") in 1978 with the USPS that allowed Pitney Bowes to operate the new system. Other postage meter companies, known as resetting companies were also authorized to use CMRS.
>
> To operate, regulations require CMRS customers to advance payments for postage. Before 1995, CMRS customers made the payments to the resetting companies, which transferred the payments to the USPS once the customers had used the postage. The resetting companies held the customers' funds in banks, where the funds collected interest until they were transferred to the USPS. The resetting companies retained control over the interest. In 1995, the USPS passed regulations that no longer allowed customers to route their funds through the resetting companies, but instead required them to make the advance

payments directly to the USPS. See 39 C.F.R. § 501.15. The resetting companies no longer retained control over the interest made from these advance payments, and Pitney Bowes filed suit against the USPS for various claims, including unjust enrichment and constitutional taking. See Pitney Bowes, 27 F.Supp.2d at 19. Before the case went to trial, the USPS and Pitney Bowes settled the case for $51,750,000. The USPS did not enter into any settlement agreements with any competitors of Pitney Bowes… See Ascom Hasler Mailing Systems, Inc., Civ. No. 00-1401.

123. The Ascom case demonstrates several interesting facts. The Fifty One Million Seven Hundred and Fifty Thousand Dollar ($51,750,000) settlement given to Pitney Bowes demonstrates the value or a percentage of the value of the interest that Pitney Bowes accrued from said accounts. The Ascom case further demonstrates the intimacy of the relationship between the Postal Service and Pitney Bowes. The Court's Opinion states, "*The USPS did not enter into any settlement agreements with any competitors of Pitney Bowes*"… The Postal Service giving Pitney Bowes such a large settlement and making no settlement with Pitney Bowes' competitors poses a highly questionable act of favoritism, cronyism, or unfair competition.

124. It is reasonable to conclude that, as in the Ascom Postage by Phone case, the Postal Service wanted to control the interest that would be accrued from the Virtual P.O. Box customers' payments and revenue, while the USPS stakeholder/technology supplier, Pitney Bowes, wanted to develop the technical needs of the Virtual P.O. Box Initiative to collect the licensing fees thereof. The Postal Service fraudulently concealed Pitney Bowes, Inc. interest in the Virtual P.O. Box Initiative and their interest or intention to accrue the interest from the monies being deposited in the Postal Service's account.

125. On November 5, 2009, the House Federal Workforce Oversight Subcommittee held a hearing on the "Future of the Postal Service". The hearing was to examine revenue-generation initiatives that the Postal Operatives had for the Postal Service. The panel of Postal Witnesses included Robert Reisner, President Strategic Planning and Transformation Strategies, who failed to present any viable revenue generators and did not present any similar initiatives to that of Foster's Virtual P.O. Box Initiative. The Postal Witnesses and the House Subcommittee formally extended the Postal Service's solicitation, requesting the private sector to bring the Postal Service innovative ideas. Also, Robert Reisner, President Strategic Planning, testified, "*the Postal Service acts as a platform…has become an innovative place where people can have the sense that they can plug and play and try ideas and test their ideas in the market place to the benefit of Postal customers*"… Here, Mr. Reisner's statement is clear indication that the Postal Service, by denying Foster the opportunity to implement the Virtual P.O. Box Initiative, his innovative idea, committed an act of discrimination.

126. Foster gave members of the House Subcommittee, including Chairman Stephen Lynch, copies of the introduction to the Virtual P.O. Box. Chairman Lynch then forwarded Foster's introduction to the Postal Service as an official recommendation.

127. Foster received a suspicious response via email from the Postal Service through a Joseph Adams, USPS Mgr. Online Marketing. The Postal Service's email claimed in pertinent part, that Postal Service may have similar ideas that predate the Virtual P.O. Box introduction that was forwarded by Rep. Lynch.

128. It is highly questionable that Rep. Lynch or his office forwarded Foster's introduction to Joseph Adams, who was not on the panel of Postal Witnesses. It is also questionable for the manager of online marketing to take on a responsibility that is normally delegated to the USPS Strategic Planning/Innovations Department, especially since Robert Reisner, President of Strategic Planning was a Postal Witness at the hearing.

129. The act of Joseph Adams responding, and his response to the introduction of the Virtual P.O. Box Initiative raises additional questions. It is unlikely that Joseph Adams, Mgr. of Online Marketing would or should have information regarding Postal Innovations, revenue generators, strategies, or knowledge of similar initiatives with the level of viability as Foster's Virtual P.O. Box Initiative, that would be withheld from the President of Strategic Planning. Additionally, it is questionable and would be in violation of ethical rules and Federal Laws if the Postal Witnesses, while under oath, fraudulently concealed or withheld material facts regarding "revenue generating initiatives' from the HR Federal Workforce Oversight Committee in violation of 18 USC §1001.

130. In addition to the Postal Witnesses' testimony, the record will show, other than a few failed ideas including the ePostmark, the Postal Service had no similar initiative to Foster's Virtual P.O. Box Initiative. Furthermore, from 2009-2012, Foster has found no evidence of the Postal Service implementing any similar initiative.

131. The following will show the first similar initiative implemented by the Defendants did not occur until 2011, which was Volly.com in the name of Pitney Bowes. The act of Joseph Adams responding and his response are indications of the Postal

Service's ongoing conspiracy to steal Foster's intellectual property in violation of 18 USC §1832.

132. On December 21, 2009, Foster responded to Joseph Adams. Foster informed Joseph Adams that he had introduced the Virtual P.O. Box concept to the Postal Service in 2007. Foster informed Joseph Adams his intellectual property was protected by the PAEA and other Federal Laws. Foster informed Mr. Adams that the implementation of any similar initiative to the Virtual P.O. Box Initiative by the USPS would raise causes of action and grounds for a law suit. Joseph Adams did not reply to Foster's December 21, 2009 response. Foster's response to Joseph Adams, delayed the Defendant's conspiracy to steal the Virtual P.O. Box intellectual property.

133. Two years later, on February 24, 2011, the USPS OIG knowingly, intentionally, and willingly plagiarized Foster's intellectual property/proprietary information in report number: RARC-WP-11-002, "The Postal Service Role in the Digital Age". RARC-WP-11-002. The report was a reworded duplication of Foster's proprietary information. The USPS OIG Report RARC-WP-11-002 was the first of a four part series of plagiarisms of Foster's proprietary information. The USPS OIG reports unlawfully saturated public record with Foster's proprietary information/intellectual property.

134. In 2007, the USPS OIG, specifically IG David Williams, was corresponded to and made fully aware of Foster's introduction of the Virtual P.O. Box Initiative to the Postal Service. The USPS OIG was one of the USPS "internal stakeholders" of which Thomas Cinelli referred to. (See paragraphs 8, 65, and Exhibit "C")

135. The Inspector General Act of 1978 §2 Purpose and Establishment of Inspector General; Departments and Agencies Involved provides, "*In order to create independent and objective units* (1) *to conduct and supervise audits and investigations relating to the programs and operations of the establishments listed*…(2) *to provide leadership and coordination and recommend policies for activities designed* (A) *to promote economy, efficiency, and effectiveness in the administration of*, and (B) *to prevent and detect fraud and abuse in, such programs and operations*; and (3) *to provide a means for keeping the head of the establishment and Congress fully and currently informed about problems and deficiencies relating to the administration of such problems and operations and the necessity for a progress of corrective action*…".

136. The USPS OIG failed to fulfill its duty and purpose. Instead, the USPS OIG acted in concert with the Postal Service, *et al*, in denying Foster's trade secret rights and the non-disclosure provisions of §404 (a)(2). The plagiarizing of Foster's proprietary information and the release of said material by the USPS OIG are violations of §404 (a)(2), prohibiting to the disclosure of proprietary information/intellectual property to any third party, & §404 (e) pertaining to a Government Agency acting on behalf or in concert with the Postal Service engages in conduct with respect to any product not reserved to the United States… relating antitrust laws and section 5 of the Federal Trade Commission act to the extent that section 5 applies to unfair methods of competition.

137. On February 28, 2011, Foster first attempted to contact IG Dave Williams to no avail, but was asked to leave a message. After several days of failed attempts to speak directly to IG Dave Williams, Foster left a message with the USPS OIG, on Dave Williams answering service asking why did the OIG not only plagiarize the Virtual P.O. Box Initiative's proprietary information in their report, but did not contact, quote, or credit him (Foster) in the report?

138. On or about March 4, 2011, the USPS OIG replied through a Mohamed Adra via phone who said, "We (USPS OIG) are a Government Agency, we can't pick a winner from the private sector…we can't tell the Postal Service to go with F D Foster, and we can't tell them to go with Bill Gates and Microsoft, but we can share in findings".

139. AT the time, Foster considered the OIG report would act as an official recommendation. Foster also relied on the provisions of the PAEA §404(a)(3) which prohibits the Postal Service from receiving information from an individual and using it in whole or in part without permission from the individual.

140. Mohamed Adra's response, describing the USPS OIG acts of plagiarism as "sharing findings" was a prepared response and authorized by IG David Williams. This assertion is true because Foster left the message pertaining to the plagiarism on David Williams' answering service. Therefore, IG Dave Williams discussed the issue with his staff who took several days to plan this response to Foster's plagiarism claims. The following evidence will corroborate the conclusion that Mohamed Adra's response was an act of deception cloaking the USPS OIG role to saturate public record with Foster's proprietary information/intellectual property.

141. Thereafter, the USPS OIG continued their plagiarism with three (3) more reports, RARC-WP-12-001 "Digital Currency: Opportunities for the Postal Service on October 3, 2011, RARC-WP-12-002 Postal Service Revenue: Structure, Facts, and Future Possibilities" on October 6, 2011, and RARC-WP-12-003 "eMailbox and eLockbox: Opportunities for the Postal Service" on November 14, 2011. These three USPS OIG reports were released within a six (6) week period. The total misconduct pertaining to the continued acts of plagiarism by the USPS OIG includes the said four (4) part series of reports in 2011, the OIG's April 17, 2013 report ms-wp-13-002 Virtual Post Office Boxes, and IG David Williams September 19, 2013 Senate Testimony.

142. The evidence shows that the plagiarism and unlawful disclosure of Foster's proprietary information/intellectual property by the USPS OIG, first described as "sharing findings", has evolved into the USPS OIG having "similar findings" which became "similar initiatives" and setting the path and opportunity for the Defendants to steal Foster's intellectual property.

143. The evidence shows the USPS OIG sharing Foster's 2007 findings in 2011 became the IG David Williams' Senate Testimony in 2013. (See paragraph 29 and Exhibit "J"). It is reasonable to conclude, the role the USPS OIG played was to saturate public record with "similar initiatives" cloaking the Defendants' theft of Foster's intellectual property as "the Defendants implementing the initiatives of the USPS OIG or public record".

144. The actions of the Defendants and the USPS OIG constitutes violations of §404(a)(2), §404(e), 18 USC §1832 pertaining to intent to steal trade secrets, RICO, *inter alia*. Moreover, in claims alleging violations of §404(e), the Government agency…shall not be immune under any doctrine of sovereign immunity…shall be considered a person. Therefore, the Federal Torts Claims Act (FTCA) its protections or rules cannot and must not be applied in the instant case.

145. In March or April 2011, USPS Stakeholder/Supplier Pitney Bowes, Incorporated announced the launching of Volly.com, a secure digital delivery service. Volly.com was a duplicate of identical features of Foster's intellectual property. Volly.com customer base was the Business Mailing Customer with services pertaining to secure delivery of digital communications and money transfers. The launching of Volly.com was the next phase of the Defendants' conspiracy to steal Foster's intellectual property/trade secrets. Volly.com was launched in the name of Pitney Bowes outside the United States. The Defendants announcement of the launch and the actual launching of Volly.com outside the United States constitutes violations of 18 USC §1831 Economic Espionage, and §1832 Theft of Trade Secrets.

146. 18 USC §1831 Economic Espionage- (a) **In General.**- *Whoever, intending or knowing that the offense will benefit any foreign government, foreign instrumentality, or foreign agent, knowingly*- **(1)** *steals, or without authorization appropriates, takes, carries away, or conceals, or by fraud, artifice, or deception obtains a trade secret;* **(2)** *without authorization copies, duplicates, sketches, draws, photographs, downloads, uploads, alters, destroys, photocopies, replicates, transmits, delivers, sends, mails, communicates, or conveys a trade secret*; **(3)** *receives, buys, or possesses a trade secret, knowing the same to have been stolen or appropriated, obtained, or converted* *without authorization*; **(4)** *attempts to commit any offense described in any of paragraphs (1) through (3)*; *or* **(5)** *conspires with one or more other persons to commit any offense described in any of paragraphs (1) through (3), and one or more of such persons do any act to affect the object of the conspiracy, shall, except as provided in subsection (b), be fined not more than $5,000,000 or imprisoned not more than 15 years, or both,* **(b) Organizations,**- *Any organization that commits any offense described in subsection (a) shall be fined not more than the greater of $10,000,000 or 3 times the value of the stolen trade secret to the organization, including expenses for research and design and other costs of reproducing the trade secret that the organization has thereby avoided*.

147. The Postal Service's misappropriation of highly potential revenue generating trade secrets, resulting in the launching of Volly.com in the name of Pitney Bowes, outside the US raised several questions relating to the most basic rules of business. Why would the Postal Service disregard its loyalty to the country? Why would the Postal Service disregard its own failing financial condition? Why would the Postal Service disregard its Universal Service Obligation, modern service standards, and the needs of the global mailing customer? These questions were asked and answered in the previous paragraphs of section "**A**" with the evidence showing the Defendants conspired to sabotage and dismantle USPS assets, to cause the demise of the Postal Service, making it appear to be insolvent as they continue to push for privatization.

148. In the Defendants' consideration of the Postal Service implementing the Virtual P.O. Box Initiative, repairing the Postal Service's failing financial condition would be counter-productive to the Defendants conspiracy to privatize.

149. In the case of the Defendants' direct misconduct against Foster, the evidence provides additional answers to these questions. While the Defendants *did not* want to repair the Postal Service's failing financial condition, the Defendants certainly wanted to steal Foster's intellectual property, the potential multi-billion dollar revenue generator. In order to accomplish the theft, the Defendants plotted to defuse and cloak the Postal Service's liability in the theft of Foster's trade secrets with the launching of Volly.com in the name of Pitney Bowes, Inc., outside the US.

150. It is reasonable to conclude, Volly.com, a secure delivery service, in the name of Pitney Bowes, Inc. could not match the potential impact or generate the amount of revenue as the Postal Service would have with the Virtual P.O. Box Initiative. Pitney Bowes' "brand" lacks the popularity, historic reputation, and trust of the global consumer as Postal Service. This assertion is supported and proven by a May 2013 statement from Pitney Bowes, Inc. CEO Marc Lautenbach who said in pertinent part, "*Volly is going to have to compete for capital…We would very much like to introduce Volly to the U.S. market this year, but only if we have a business model that makes sense. And it may not be the original business model we conceptualized. It may be with a partner*…"

151. Lautenbach's statement reveals several facts: (1) the Defendants launched Volly outside the United States, (2) Volly.com's original business model serving the business mailing customer in the foreign market, failed to create the impact that the

Defendants projected it would, (3) the Defendants intend to introduce Volly.com to the U.S. with Pitney Bowes and a “partner”.

152. Moreover, Lautenbach’s statement shows the Defendants’ numerous violations of §10(b), 10-b-5, acts of securities fraud, economic espionage, *inter alia*: (1) PBI investors, and the market were deceived by the Defendants as they were unaware of the of the background of Volly.com relating to the theft of Foster’s trade secrets, (2) the Defendant employed the deceptive devices of the business model of serving the business mailing customer and launching Volly.com in the foreign market, as a cover-up to evade Foster’s infringement claims, to conceal the Defendants’ misconduct, make it difficult to monitor its operations and earnings, or enforce Federal Laws such as injunctive relief. Based on the evidence and the order of events, it is reasonable to conclude, the Defendants’ intended partner for Pitney Bowes, Inc. and Volly.com is the USPS.

153. It is reasonable to conclude the following; the 2011 launching of Volly.com in the name of Pitney Bowes, Inc. outside the U.S. was a diversion. The launch was intended to divert Foster’s legal claims and actions away from the Postal Service to Pitney Bowes, Inc. After Foster’s adverse response to Joseph Adams warning him that the implementation of any similar initiatives by the Postal Service would be grounds for legal action, and Foster confronted the USPS OIG accusing the office of plagiarizing his (Foster’s) proprietary information, it was evident that it was too risky for the Postal Service to openly continue the lead role in the theft of Foster’s intellectual property. The strict provisions of 39 U.S.C. made it difficult, nearly impossible, for the Postal Service to deny liability or evade justice. The Defendants' launching Volly.com in the name of a private entity, gave them a greater chance of defending themselves against Foster's claims and posed lesser consequences, especially since a review of the events shows Foster lacked representation in almost all matters leading up to the present circumstances, and lacked the powers and resources of the USPS and Pitney Bowes, Inc. The Defendants conspired to launch Volly.com in the name of Pitney Bowes, Inc. to fraudulently conceal the Postal Service's misconduct and interest in Volly.com.

154. The implementation of Volly.com outside the U.S. allowed the Defendants to develop and beta test technologies that were based on Foster's intellectual property/trade secrets. Moreover, the launching of Volly in the name of Pitney Bowes, Inc. outside the U.S. created the possibility that Foster could be completely unaware of the Defendants' infringement of his intellectual property.

155. The evidence shows the Defendants used their powers and frivolous technical defenses to defeat Foster's claims in the District Courts, thereafter, allowing them to later proceed with their intentions to introduce the developed technology to the U. S. as a partnership between Pitney Bowes and the Postal Service where both Defendant's will enjoy monetary benefits without Foster. This allegation is confirmed by Pitney Bowes, Inc. CEO Marc Lautenbach's statement.

156. Moreover, the Defendants revealed their steps in the conspiracy to steal Foster's intellectual property/trade secrets in their frivolous assertions in the District Court. In the District Court, Defendant Pitney Bowes, Inc. asserted since Foster filed a patent application for an un-patentable verification process that was published, rejected, and abandoned, Foster's trade secrets were public record or fair game. Contrary to Pitney Bowes, Inc. District Court assertion, Foster intentionally withheld information relating to trade secrets from the patent application. The cause of action relating to Foster's intellectual property in the instant case is based on the information the Postal Service unlawfully disclosed to Pitney Bowes, Inc in 2007.

157. Moreover, the published patent application was predated by the Defendants' misconduct, including but not limited to: (1) the Postal Service's 2007 unlawful disclosure of Foster's intellectual property to Pitney Bowes, Inc., (2) the Postal Service fraudulent concealment of Pitney Bowes, Inc. interest in the Virtual P.O. Box Initiative during pilot negotiations in 2007, (4) the Postal Service fraudulent concealment of their intentions to accrue and control the interest from Virtual P.O. Box Initiative monies being deposited in their bank accounts, (5) the Postal Service discrimination against Foster, maintaining or considering Pitney Bowes, Inc. interest in supplying technical needs and collecting licensing fees from Foster's intellectual property, (6) the Defendants conspiracy to steal Foster's intellectual property, (7) the Defendants' scheme to sabotage and dismantle the Postal Service, pushing for privatization, (8) the Defendants exploiting their corporate status to enable a Federal contractor to commit or appear to commit quid pro quo political corruption, (9) the Defendants' numerous violations of 18 USC §1001, §1831, §1832, RICO, inter alia.

158. The previous paragraph shows the causes of action in this case is based on Foster's proprietary information which the Postal Service unlawfully disclosed to Pitney Bowes, and is not based on the information found in the published patent application.

The published patent application is irrelevant as the Defendants misconduct predates the publication which did not contain the Virtual P.O. Box Initiative trade secrets. Defendant Postal Service unlawfully disclosed Foster's intellectual property to Defendant Pitney Bowes, Inc. in 2007 by other means.

159. Defendant Pitney Bowes, Inc. is a publicly traded corporation. Leading up to, during, and thereafter the March 2011 Volly.com launch, Pitney Bowes, Inc. sold securities based on material nonpublic information misappropriated in breach of a duty of trust or confidence. The Defendants, USPS and Pitney Bowes, Inc., have a history of sharing confidences such that the recipient of the information should know that the person communicating the material nonpublic information expects that the recipient will maintain its confidentiality.

160. The Defendants have violated duties of trust or confidence resulting in misappropriation insider trading. 17 CFR 240.10b5-2 Duties of trust or confidence in misappropriation insider cases. (a) *This section shall apply to any violation of Section 10(b) of the act (15 U.S.C. 78j(b)) and §240.10b-5 thereunder that is based on the purchase or sale of securities on the basis of, or the communication of, material nonpublic information misappropriated in breach of a duty of trust or confidence. (b) Enumerated "duties of trust or confidence." For the purpose of this section, a "duty of trust or confidence" exist in the following circumstances, among others: (2) Whenever the person communicating the material nonpublic information and the person to whom it is communicated have a history, pattern, or practice of sharing confidences, such that the recipient of the information should know that the person communicating the material nonpublic information expects that the recipient will maintain its confidentiality*.

161. 17 CFR 240.10b-5, *it shall be unlawful for any person, directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails or any facility of securities exchange, (a) To employ any device, scheme, or article to defraud, (b) To make any untrue statement of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, or (c) To engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the purchase or sale of any security*. In United States v. O'Hagan, the Supreme Court decided the question, "*Is a person who trades securities for personal profit, using confidential information misappropriated in breach of a fiduciary duty to the source of the information, guilty of violating § 10(b) and Rule 10b-5?" "Our answer to the question is yes*…" (See United States v. O'Hagan, 531 US 642- Supreme Court 1997)

162. Moreover, in further violation of Rule 10b-5, Pitney Bowes, Inc. withheld or omitted material facts in their 2011 10K US SEC Report. Pitney Bowes, Inc. omitted the material fact that there was a legal proceeding against them pertaining to Volly.com. The legal action, Foster vs. Pitney Bowes, Inc. and USPS was filed and served on November 23, 2011. Pitney Bowes, Inc. 2011 10K Annual Report was produced on March 19, 20012 (a true and correct copy of excerpt from Pitney Bowes, Inc. 2011 10K is incorporated herein, attached hereto, and marked as **Exhibit "Q"**). Therefore, Pitney Bowes, Inc. knowingly and intentionally omitted the material facts as they unlawfully continued to sell securities and raised funds to invest in Volly.com.

163. On November 23, 2011, Foster filed a complaint against the United States Postal Service and Pitney Bowes, Inc in the Federal District Courts. Foster was a Pro Se Litigant while the Postal Service was unlawfully represented by the U.S. Department of Justice. Foster's claims against the Postal Service alleged violations of 39 U.S.C. § 403 Unfair Competition Prohibited, 404(a)(2) & (3), 404(d) &(e), 404(g)(1), pertaining legal representation may not be furnished by the US Department of Justice (DOJ) to the Postal Service in any action arising in whole or in part under (d) or (e) of this section (Title IV), and violations of the Standards of Ethical Conduct for Employees of the Executive Branch, misappropriation of trade secrets, unjust enrichment, *inter alia*. Moreover, in allegations of unfair or deceptive acts or practices, §404(d) sets forth, the Postal Service shall be considered a person…and shall not be immune under any doctrine of sovereign immunity…therefore, the protections of the Federal Tort Claims Act are exempt and do not apply to the instant case.

164. On March 9, 2012, the USPS, unlawfully represented by the US DOJ, filed a knowingly frivolous, deceptive motion to dismiss that intentionally made false assertions to the District Court. The USPS motion persuaded the Federal Courts to focus on Foster's §404(a) claims, and disregard or fail to adjudicate all other claims and plausible grounds of relief, in error of Rule 54 (b) & (c). Moreover, Foster's antitrust, ethics and fraud claims predominated the §404(a) claims. Foster's choice of venue was in accordance with the provisions §404 granting the District Courts original jurisdiction. The District Court erred by failing to hold original jurisdiction over the Foster's antitrust claims and invoking supplemental jurisdiction over the §404(a) claims.

165. The USPS motion was evidence of USPS ongoing employment of deceptive measures to evade justice. The record shows when a person files a complaint with allegations of §404 (a) in the District Courts, the Postal Service claims the PRC has exclusive jurisdiction. Then when a person files a §404 (a) claims in the PRC, the Postal Service claims the PRC does not have jurisdiction.

166. The following is a clear example of the Postal Service's evasive behavior: the USPS motion to dismiss cited City and County of San Franc[e]sco v. United States Postal Service, 2009 WL 3756005. This was a similar case with §404(a) allegations where the Postal Service filed a 12(b)(1) motion to dismiss claiming the District Court lacked subject matter jurisdiction. What's significant about the Postal Service citing the City and County of San Francisco in Foster's case is, the USPS 12(b)(1) motion to dismiss was denied in City and County of San Francisco.

167. It is reasonable to conclude the Postal Service's motion to dismiss filed in Foster's District Court proceeding was a "canned motion" of which the citing of City and County of San Francisco was pulled from the "can" that they be used in the PRC.

168. While the Defendants have the right to plea frivolous technical defenses to formulate their legal strategies, the false assertions of the Postal Service to the District Courts raise an important question. Foster formally requests clarification on the issue of jurisdiction. Does the PRC have exclusive jurisdiction on claims against the Postal Service alleging violations of 39 U.S.C. §404(a)?

169. The USPS motion made several intentionally false pleadings to the Federal Courts. The USPS motion stated, "*USPS, as an independent establishment of the executive branch of the government of the United States does not have any "stakeholders*." Evidence shows the Postal Service does have stakeholders and based on the evidence, Pitney Bowes, Inc. is the key or "potential stakeholder" whom the Postal Service disclosed Foster's intellectual property to in 2007. Moreover, the Postal Service never denied Foster's claim that they unlawfully disclosed the Virtual P.O. Box intellectual property to Pitney Bowes, Inc.

170. The USPS motion falsely asserted that §3641(e) Dollar-Amount Limitations, did not exist. The USPS motion falsely stated in reference to §3641(e), "*This requirement does not exist within the Postal Accountability and Enhancement Act. USPS is unaware of where plaintiff (Foster) received such information*." Contrary to the USPS's false assertion, §3641(e) Dollar-Amount Limitations, in pertinent part, expressly states: "*A product may only be tested under this section if the total revenues anticipated, or in fact received, by the Postal Service from such product do not exceed $10,000,000 in any year*…" It is reasonable to conclude the intentionally false pleadings in the USPS motion to dismiss made by the Postal Service and the DOJ, was intended to cloak or fraudulently conceal the relationship or nexus between Defendants USPS and Pitney Bowes and discredit Foster's claims.

171. On July 23, 2012, the Federal Courts granted the USPS 12(b)(1) dismissal motion finding that Congress intended the PRC to have exclusive jurisdiction on claims against the Postal Service alleging violations of 404(a), *inter alia*. It is reasonable to conclude the following: the District Court's Order, granting the Postal Service's motion to dismiss, was frivolously applied to all of Foster's claims against the Postal Service. The District Court erred in its decision and disregarded Rule 54(b) & (c) since many of Foster's claims against the Postal Service, including his §404 (d) claims, were not §404(a) claims and not within the subject matter jurisdiction of the PRC. The DOJ and the USPS misused their Governmental status to persuade the District Courts to disregard the unlawful representation of the USPS by the DOJ as prohibited by §404 (g)(1), the intentionally false pleadings of the USPS violating Fed. R. Civ. P. Rule 11, the evidence on record, and even its own fact finding authority.

172. The dismissal of Foster's action against Postal Service severed the USPS from their Co-Defendant Pitney Bowes. Foster's motion to amend and motion for reconsideration was denied. Foster's claims against Pitney Bowes were still pending therefore the claims against the USPS were improperly dismissed.

173. On August 3, 2012, Pitney Bowes filed a motion for judgment on the pleadings. On February 7, 2013, the Federal District Court granted Pitney Bowes motion for judgment on the pleadings. On February 21, 2013, Foster filed a motion for reconsideration. On April 12, 2013, the Federal District Courts denied Foster's motion.

174. On April 17, 2013, five (5) days after Foster's motion for reconsideration was denied in the District Courts, the USPS OIG released Report Number ms-WP-13-002, "Virtual Post Office Boxes", not only the same name as Foster's intellectual property, but cloaked several identical features of Foster's intellectual property within the report. On the surface, the OIG's report indicated the Virtual P.O. Boxes would provide a physical annex or alternative storage space to a customer's P.O. Box. The OIG's report then indicates the USPS intention to incorporate several identical features to Foster's intellectual property. It lists "identity verification", "personal message integration and data storage", "linking customers' email addresses to their P.O. Box addresses and their residential addresses", etc. These are all reworded descriptions of identical features of Foster's Virtual P.O. Box Initiative.

175. The record shows the USPS OIG was fully aware that Foster introduced the Virtual P.O. Box to the Postal Service in 2007 and Foster's proprietary information/intellectual property was protected by the PAEA. The record shows that the USPS OIG was fully aware of Foster's claims against them for plagiarizing Foster's intellectual property with their 2011 report, "The Postal Service Role in the Digital Age". The record also shows the USPS OIG confirmed the plagiarism but described it as "sharing (Foster's) findings". It is reasonable to conclude that the Defendants, including the USPS OIG, used Report Number ms-WP-13-002, "Virtual P.O. Boxes", as the next action in furthering their conspiracy to steal Foster's intellectual property. Thereafter, on September 19, 2013, IG David Williams knowingly and intentionally gave Senate Testimony that plagiarized Foster's proprietary information and listed identical features of Foster's intellectual property. See attachment IG David Williams Senate Testimony. It is reasonable to conclude the aforementioned actions of the USPS OIG and the series of reports and Senate Testimony plagiarizing Foster's proprietary information, resulted in the unlawful disclosure of said proprietary information to third parties and saturation of public record. The aforementioned actions of the USPS OIG should be deemed unfair methods of competition, violations of §404(e), 18 USC §1001, *inter alia*.

176. On April 24, 2013, Foster appealed the District Court's decision in the US Court of Appeals for the Federal Circuit. The Postal Service, unlawfully represented by the DOJ, maintained their ludicrous technical defense and intentionally false assertions that were made in the District Court. The Federal Circuit affirmed the District Court's frivolous ruling and determination that the PRC was the proper and sole venue for Foster's claims.

177. Foster filed a petition for writ of certiorari in the US Supreme Court. Foster's petition was denied.

178. On October 16, 2014, Foster conducted a settlement conference with the USPS Law Department who stated, they did not need to discuss background or liability, and they were only interested in hearing Foster's settlement demand. Foster reiterated that the basis of the settlement is §404(a)(2) violations disclosing Foster's intellectual property Pitney Bowes, who misappropriated it in Volly.com, while §404(a)(3) and the PRC Order 2207 prohibits the Postal Service from directly using Foster's information. Several days later, the USPS Law Department, through Mr. Mecone asked Foster, did he (Foster) have proof or evidence of the Postal Service directly using the Virtual P.O. Box intellectual property? Mr. Mecone concluded, "*When you have proof of the Postal Service directly using your intellectual property, contact us*." Foster was compelled to review the Postal Service's activities.

179. Foster discovered the Postal Service's Mailer Registration Identification (MIDs) and Customer Registration Identification (CRIDs) and the "Business Customer Gateway" all of which are identical features of the Virtual P.O. Box intellectual property.

The implementation of MID, CRID, and the Business Customer Gateway by the Postal Service are violations of §404 (a)(3), 404(d), *inter alia*.

180. The Defendants have falsely asserted to the Courts that Volly.com does not infringe on Foster's intellectual property to the extent that Volly does not serve individual customer and there is no verification process. Not only is this assertion false, but it also reveals the Defendants willingness to employ deceptive devices to carry out their scheme. Both Volly.com, in the name of Pitney Bowes, and the Postal Service's Business Customer Gateway are in fact identical features of Foster's Virtual P.O. Box Initiative. The Virtual P.O. Box was conceived to serve the Nation and global community including businesses, individuals and institutions. In other words, providing businesses secure digital delivery service is an identical feature of Foster's Virtual P.O. Box Initiative.

181. While the business model of Volly and Business Customer Gateway both target the Business Mailing Customer, the targeted "Businesses" provide the individual customers and in most cases, the individual customer's identity has been verified by the "Business". Moreover, this model gives the service provider access to the individual customer information of the businesses it serves. This model ultimately gives the service provider access to valuable information of "paying customers", that will allow the Defendants to expand their infringement to include individual customers. Moreover, Pitney Bowes announced that they intend to provide the services of Volly.com to individual customers at a later date.

III. PREDICATE ACTS FACTUAL ALLEGATIONS COMMON TO ALL RICO COUNTS 18 U.S.C. §1961-68

181. Plaintiff incorporates all preceding paragraphs1-176, as if set forth herein at length.

a) CIVIL-RICO Person

182. Defendant Patrick Donahue is an individual capable of holding a legal or business interest in property as defined by 18 USC §1961(3).

183. Defendant Patrick Donahue was the Deputy Postmaster General and Postmaster General and principle officer of Defendant United States Postal Service.

184. Defendant Patrick Donahue is a person distinct from the enterprise or enterprises known as the United States Postal Service which further comprise other persons with various employment, contractor, or supplier relationships, and staffed facilities throughout the United States with headquarters in Washington, D.C.

185. Defendant Michael Critelli is an individual capable of holding a legal or business interest in property as defined by 18 USC §1961(3).

186. Defendant Michael Critelli was the CEO and principle officer of Defendant Pitney Bowes, Inc.

187. Defendant Michael Critelli is a person distinct from the enterprise or enterprises known as the United States Postal Service which further comprise other persons with various employment, contractor, or supplier relationships, and staffed facilities throughout the United States with headquarters in Stamford, Connecticut.

b) CIVIL-RICO ENTERPRISE

188. The Postal Service and Operatives (John Does 1-10) conducts an enterprise as defined under 18 U.S.C. §1961(4). Pitney Bowes, Inc. conducts an enterprise as defined under 18 U.S.C. §1961(4).

189. Together the two enterprises form, and shall be referred to as, the Demise & Privatize Enterprise or Defendants. The Demise & Privatize Enterprise employs a number of people in addition to its principle officers Patrick Donahue and Michael Critelli, and comprises government and private executives, and their team of legal strategists, including but not limited to, Ronald Stroman, USPS Law Department, *et al*.

c) Civil-RICO PATTERN

190. Defendants have violated the provisions of 18 U.S.C. §1962(c) by conducting or participating, directly or indirectly, in the conduct of the affairs of an enterprise or enterprises, through a pattern of racketeering activity, affecting interstate commerce, as further set forth under each separate count.

191. The Defendants' pattern of racketeering activity has continued and escalated for more than 4 years, and continues through the present day.

192. The pattern of the Defendants' violations of 18 U.S.C. §1962(c) has caused injury in the business and property of the Plaintiff, the United States, and US citizens, as contemplated by 18 USC §1964(c), as further set forth with the required specificity under each separate count.

d) Summary Allegations & Characterization of Civil-RICO Injury

193. Plaintiffs suffered injury to their business or property, and damages, including economic or financial damages, proximately and standing by the Defendants' unlawful actions, as further set forth with the required specificity under each count.

194. The Defendants employed of deceptive devices of; (1) employee sabotage and embezzlement of Postal Operations and assets, (2) unlawful investment or divestment of Postal Service revenue, (3) theft of trade secrets, (2) unlawful or noncompliant sales of historic properties, (4) economic espionage, (5) making materially false statements and false writings to the US Executive and Legislative Branches of the US Government, (6) misrepresentation/fraud, (7) *quid pro quo* political corruption (Pitney Bowes, Inc., a Federal contractor, exploiting its corporate status and FEC loopholes, making contributions to the campaign of candidates of Federal offices influencing official acts including the 2006 PAEA) therewith manufacturing a crisis for the Postal Service, (8) selling securities with the intent to commit fraud against a person, (9) investing racketeering income, (10) selling securities using material non-public information and omitting material facts in violation of § 10(b) and Rule 10b-5, (11) employee sabotage, liquidating Postal Service revenue through unlawful or noncompliant workshare discounts, (12) unlawful real estate sales, (13) noncompliant facility closings, causing injury to Postal Service, Postal employees and, the general public, (14) intentional noncompliant exigent request used for dilatory purposes to prolong injury to Postal Service's finances, (15) intentionally and knowingly depriving the Postal Service of the opportunity to utilize and fulfill the provisions of Title IV Modern Service Standards with the addition of a secure digital delivery service, thereby depriving the Postal Service the opportunity to repair its failing financial condition. The misconduct of the Demise & Privatize Enterprise caused Plaintiff, the USPS, Postal employees, and the general public to suffer injury of loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, and interest on the money Plaintiff and the Postal Service would have earned.

195. For more than 45 years, the Defendants have operated the Demise & Privatize Enterprise with the intent to defraud the United States Government, the US citizens, the general public and more recently, Plaintiff. The deceptive actions taken by the Defendants are so timely, interweaved and strategically positioned that when addressed individually, the Defendants argue their actions were legal. Yet when the proper light is shone on the Defendants' conglomeration of conduct, hidden angles are illuminated, and a web or geometric patterns of fraud, corruption and racketeering activity is revealed. Therefore it is necessary that Judicial Officials consider the conglomeration as they analyze the Defendants' individual acts of misconduct.

196. Collectively, the Demise & Privatize Enterprise commissioned their misconduct in plain sight; finding loopholes in the law, with the intent to deceive America into believing the Postal Service is insolvent and irreparable, thereby defrauding and extorting the US Government into making the official act of privatization of the upstream activities, 3/4 of the USPS Operations.

197. Moreover, the Defendants knowingly and willingly disregarded the fundamental interest of all applicable Federal laws, US statutes, rules, and ethical standards by allowing themselves to appear to be parties in corrupt and unfair practices. The Defendants' pattern of racketeering activities are so pervasive that it is accepted as the way to do business. The Demise & Privatize Enterprise combined the quasi-Government status of the Postal Service with private status of Pitney Bowes, Inc. to perpetuate their self-serving scheme to gain control of most of the Postal Service's Sixty Five – Seventy Five Billion Dollar ($65-75,000,000,000) operating budget.

d) No Time Bar Here Under Civil-RICO or Other Claims

198. The complained-of unlawful activities are ongoing. The doctrine of continuing tort or injury applies to the claims here except for the Civil-RICO claims. Several of the unlawful acts were first perpetuated in 2014 and were first discovered by Plaintiff in 2015.

199. Plaintiff first filled complaint in the Federal District Courts for the Eastern District of Pennsylvania on November 23, 2011. The District Court, in *error*, found that it lacked subject matter jurisdiction and Plaintiff must file complaint in the Postal Regulatory Commission. Plaintiff appealed the District Court's decision in the Court of Appeals for the Third Circuit. The Third Circuit transferred Plaintiff's appeal to the US Court of Appeals for the Federal Circuit. The Federal Circuit affirmed the District Court's decision. On April 23, 2014, the Federal Circuit denied Plaintiff's motion for rehearing. Plaintiff filed a Petition for a Writ of Certiorari in the US Supreme Court.

Plaintiff's petition was denied on October 6, 2014 and Plaintiff's Petition for Rehearing was denied on December 8, 2014. Plaintiff proceeded in accordance with the Courts' findings that the Postal Regulatory Commission was the proper venue for Plaintiff's complaint.

200. On or about October 16, 2014, Plaintiff and USPS Law Department conducted a settlement conference as required. On November 12, 2014, Plaintiff received the Postal Service's denial, refusal, and disagreement with Plaintiff's settlement demand. Moreover, the Postal Service failed to make a counter-offer.

201. Others of the unlawful activities were first perpetuated more than 4 years and less than 10 years before November 23, 2011, but are continuations of an ongoing pattern of unlawful activity. Therefore, there is no time bar to this action other than the 10-year outer limit for Civil-RICO from 2011.

d) Civil-RICO Standing to Sue

202. The parties in this case are all engaged in the business of serving the global community secure delivery of communications and money transfers.

203. Frederick Foster is an inventor/entrepreneur who conceived a secure digital delivery service of communications and money transfers and does business in Philadelphia, PA.

204. The United States Postal Service is a quasi-government agency that serves the global community secure delivery of physical communications and money transfers and does business in every city and state in the United States, including Philadelphia, PA (residence of Plaintiff) and Washington, D.C.

205. Pitney Bowes, Inc. is a private corporation that is a Federal contractor to the Postal Service and does business in every city and state in the United States, including Philadelphia, PA (residence of Plaintiff) and Washington, D.C.

206. Plaintiff's standing to bring Civil-RICO claims will be established by Plaintiff showing a pattern of violations of18 USC §1962 by the Defendants, with such violations directly causing injury to Plaintiff's business or property, which Plaintiff allege here and set forth with the required specificity herein under each separate count.

207. Plaintiff's standing to bring claims under Federal and state unfair competition and trade practices law is established by the business-competitor, supplier, and business-customer relationships among the parties.

e) Count I: Civil-RICO §1962(c) Violation of §1343 Wire Fraud

208. The allegations of paragraphs 9-15 and 108-111 are incorporated and referenced herein.

209. Count I is against Defendants Postal Service, Pitney Bowes, Inc., Tom Cinelli, Linda Kingsley, Patrick Donahue, Michael Critelli and John Does 1-10.

210. The Defendants USPS and Pitney Bowes, Inc. are an enterprise engaged in and whose activities affect interstate and foreign commerce. The Count I Defendants are employed by or associated with the enterprise.

211. Count I Defendants agreed to and did conduct and participate in the conduct of the enterprise's affairs through a pattern of racketeering activity and for the unlawful purpose of intentionally defrauding Plaintiff.

212. Specifically: The Postal Service, through their web site about.usps,com/transforming-business/innovations.htm , *inter alia*, has continually solicited request for innovative ideas from persons of the general public with the foreseeable intent and end results of misappropriating or stealing the intellectual property/proprietary information from the person to the exclusion of the person from the benefits thereof. The Postal Service targeted Foster for his intellectual property, Virtual P.O. Box Initiative, through a Linda Kingsley, SVP of Strategy and Transition. The Postal Service, through Ms Kingsley using US wires, instructed Foster to upload his intellectual property into the USPS Innovations Data Base. On May 25, 2007, Foster uploaded his intellectual property in the USPS Innovations Data Base. Foster's intellectual property was labeled Innovations Proposal Case #3127 and assigned to Linda Stewart, Manager of Strategy and Transition who assigned the case to Thomas Cinelli, Acting Manager of Strategic Business Initiatives to the USPS. On May 31, 2007, the Postal Service, through Mr. Cinelli, informed Foster via email "*I am moving the concept through a number of internal stakeholders. I will be in touch*." On June 11, 2007, the Postal Service, via email through Thomas Cinelli using US wires, informed Foster they were waiting on responses from "*potential stakeholders*" (third parties), indicating the Postal Service had intentionally violated 39 USC §404(a)(2). Defendant Pitney Bowes, Inc. was the key "potential stakeholder" who took part in the USPS unlawful disclosure. §404(a)(2) prohibits the Postal Service from compelling the disclosure of intellectual property to any third party. The Defendants injurious conduct caused Foster foreseeable harm, targeted Foster and his intellectual property and violated Foster's intellectual property and trade secret rights.

213. Pursuant to and in furtherance of their fraudulent scheme, using US wires, the Postal Service committed multiple related acts. Specifically: The Defendants committed acts of misrepresentation/fraud, misappropriation of trade secrets using US wires, in violation of 39 USC §404(a)(2), §1343 wire fraud, §1832 Theft of Trade Secrets, *inter alia* as they: (1) instructed Plaintiff to upload introduction of Plaintiff's intellectual property into the USPS Innovations Data Base, thereafter, unlawfully disclosing said intellectual property to third parties USPS potential stakeholders, "key stakeholder" Pitney Bowes, Inc., (2) requested additional information from Plaintiff relating to Plaintiff's intellectual property thereafter unlawfully disclosing said information to third parties, USPS potential stakeholder Pitney Bowes, Inc., (3) on August 21, 2007, instructed Plaintiff to submit and upload a second proposal into the USPS Innovations Data Base, thereafter unlawfully disclosing said intellectual property to third parties, USPS potential stakeholder Pitney Bowes, Inc., (4) as part of the conspiracy, at all times the Postal Service fraudulently concealed and maintained Pitney Bowes, Inc. interest in an act of restraint of trade or commerce, in violation of 15 USC §1.

214. The acts of misrepresentation/fraud, with intent to steal trade secrets, unlawful disclosure of proprietary information/intellectual property, and wire fraud set forth above constitute a pattern of racketeering activity pursuant to 18 USC §1961(5).

215. The Defendants have directly or indirectly conducted and participated in the conduct of the enterprise's affairs through the pattern of racketeering and activity described above, in violation of 18 USC §1962(c).

216. As a direct and proximate result of the Count I Defendants' racketeering activities and violations of 18 USC §1964 (c), Plaintiff has been injured in his business and property in that: Plaintiff suffered injury, including but not limited to, loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money it would have earned, together with such other unspecified damages as may be allowable by law.

217. WHEREFORE, Plaintiff request that this Court enter judgment against Count I Defendants as follows: actual damages, treble damages, in excess of $1,000,000,000.

f) Count II: Civil-RICO §1962(b), (c), & (d) Violations of §201 Bribery, §1341 Mail Fraud & §1343 Wire Fraud

218. The allegations of paragraphs 51-57 and 65-79 are incorporated herein by reference.

219. Count II is against Pitney Bowes, Inc., Pitney Bowes, Inc. Political Action Committee, Bruce Nolop, CEO Michael Critelli, and Persons to be Discovered.

220. Pitney Bowes, Inc. is an enterprise engaged in and whose activities affect interstate and foreign commerce. The Count II Defendants are employed by or associated with the enterprise.

221. Count II Defendants agreed to and did conduct and participate in the conduct of the enterprise's affairs through a pattern of racketeering activity and for the unlawful purpose of intentionally defrauding the United States and US citizens.

222. Specifically: The records of the Federal Elections Committee show in 2005-2006, Defendant Pitney Bowes, Inc., a Federal contractor, through Pitney Bowes, Inc. PAC, made a contribution of $6,000 to the campaign of a candidate of a Federal office, incumbent US Representative Tom Davis (R-VA). Yet, the FEC records show Pitney Bowes, Inc. employees contributed $81,215 for a total of $87,215. Pitney Bowes, Inc. CEO, at the time, Michael Critelli and officer Bruce Nolop contributed $10,000 each. These $10,000 contributions are among 7 contributions made by Pitney Bowes, Inc. employees were in the aggregate exceeding the $2,000 limit. Pitney Bowes, Inc. CEO Michael Critelli and officers Bruce Nolop, Michele Mayes, Johnna Totsone, and Robert Bowen have violated 11 CFR 110.1(b).

223. A Federal contractor making contributions to the campaign of a candidate of a Federal office is a violation of Rule 115.2. A contribution made by one person in the name of another is a violation of 52 USC §30122; 110.4(b). A corporation using bonuses or other methods of reimbursing employees for their contributions is a violation of §114.5(b)(1). The record shows neither Pitney Bowes, Inc. nor the contributing employees are residents of Virginia or constituents of Rep. Tom Davis. The record shows Rep. Tom Davis was chairman of the House Government Reform Oversight Committee that makes official acts pertaining to Pitney Bowes's employer, the Postal Service, and the Rep. Tom Davis was the Sponsor of the 2006 Postal Accountability

Enhancement Act (PAEA). The PAEA was employed by the Defendants as a deceptive device to manufacture crisis for the Postal Service. The Defendants' made the illegal contributions with the intent and purpose to influence official acts benefitting the Defendants' personal and business interest, in violation of 18 USC §201(b)(1)(A).

224. The Defendants devised and intended to devise a scheme and artifice to defraud and deprive the United States and the citizens of Virginia of the honest services of Tom Davis, a United States Congressman elected by the citizens of Virginia, in violation of 18 USC §§ 1341, 1343, and 1326.

225. The Defendants and their legal strategist have found loopholes in the laws of the FEC to perpetuate their racketeering scheme. While 11 CFR explicitly does in fact, prohibit a Federal contractor (of any kind) from making contributions to the campaigns of candidates of Federal offices, Advisory Opinion 1994-11 FMC contradicts this prohibition. Advisory Opinion 1994-11 FMC states in pertinent part, "*The prohibition, however, does not prevent a Federal contractor "corporation" from establishing and administrating a separate segregated fund, and soliciting contributions to that fund, in accordance with the provisions applied to corporations under 2 USC §441b(b) and 11 CFR Part 114., 2 USC §441c(b), 11 CFR 115.3(a)*".

226. In most cases, as with Defendant Pitney Bowes, Inc., the Federal contractor who enters into any contract with the United States or any department or agency thereof for the rendition of personal services or furnishing any material, supplies, or equipment…, is a corporation. The reasoning behind the rules is, once a corporation gains the status of a Federal contractor, the corporation must be prohibited from;

influencing official acts benefitting their personal and business interest, and, making contributions to the campaigns of candidates of Federal offices. Furthermore, 11 CFR §115.1(a) Definitions-states, "A *Federal* contractor means a "person", as defined in 11 CFR 100.10…", while 11 CFR 100.10 states, "*Person* means an individual, partnership, committee, association, "corporation"… If a *Federal* contractor is a person, and a *Person* is a corporation, then a *Federal* contractor is a corporation. Moreover, §100.10 also states, "A *Person* means a "committee" as in Political Action "Committee". Therefore, contrary to Advisory Opinion 1994-11 FMC, the prohibition <u>does</u> in fact prevent a Federal contractor "corporation" from establishing and administrating a separate segregated fund (PAC), and soliciting contributions to that fund…as 11 CFR 115.2(a) sets forth-"*It shall be unlawful for a Federal contractor, as defined in 115.1(a), to make, either directly or indirectly, any contribution or expenditure of money or anything of value, or promise expressly or impliedly to make any such contribution or expenditure to any political party, committee, or candidate for Federal office or any person for any political purpose or use*". Additionally, pertaining to §441c the interest is avoiding *quid pro quo* corruption or the appearance thereof, which is a "sufficiently important interest". See <u>Buckley v. Valeo</u>, 424 US 1, 25-26 (1976).

227. Moreover, in <u>Wagner v. Federal Election Commission</u>, the Federal District Court of the District of Columbia upheld the ban on contributions from Federal Government contractors. The Courts find that "*Under 2 USC §441(c), entitled, "Contributions by government contractors", no one who contracts with the Federal Government may contribute, directly or indirectly, to any political party, committee, or candidate for public office, or to any person for any political purpose or use. Nor may* *anyone promise or solicit such a contribution*." (*See* Wagner v. Federal Election Commission Case 1:11-cv-01841-JEB).

228. Defendant Pitney Bowes, Inc., a Federal contractor, knowingly and intentionally cloaked their *quid pro quo* political corruption activities by exploiting and abusing its corporation status to perpetuate their racketeering activity of bribery through making campaign contributions to candidates of Federal offices to influence official acts benefitting their personal and business interest.

229. The Defendants' pattern of racketeering activity of bribery, including but not limited to, making illegal campaign contributions, has continued and escalated for more than 10 years, and continues through the present day. The Defendants' predicate racketeering offences are so pervasive that it is accepted as the way to do business.

230. Pursuant to and in furtherance of their fraudulent scheme, the Defendants committed multiple related acts using US Mails and Wires. Specifically: The record shows that over the Congressional election cycles from 2002-2014 Pitney Bowes, Inc. has contributed $601,580 to the campaigns of candidates of Federal offices.

231. This number does not include contributions made through Pitney Bowes employees of which based on the evidence, it is reasonable to conclude was in excess of $6,000,000.

232. These questionable contributions by a Federal contractor to the campaign of candidates of Federal offices were intended to or made with the intention to influence official acts related to the Postal Service. The recipients include, but not limited to Tom

Carper (D-DE), Danny Davis (D-IL), Tom Davis (R-VA), Susan Collins (R-ME), Joe Lieberman (I-CT), Jason Chaffetz (R-UT), Darrell Issa (R-CA), Stephen Lynch(D-MA), Tom Coburn (R-OK), and John McCain (R-AZ), all of whom Plaintiff knows to be chairman, ranking members, or members of either the HR Government Workforce Oversight Committee, or the Senate Homeland Security and Governmental Affairs, specific Federal offices that makes official acts pertaining to the Postal Service.

233. Moreover, the contributions made by Pitney Bowes, Inc., a Federal contractor; to these Federal Officials has had a direct effect on Plaintiff (Foster). After the November 5, 2009, House Federal Workforce Oversight Subcommittee Hearing, resulting in the USPS Witnesses failing to present any viable revenue generator for the Future of the Postal Service, Chairman Stephen Lynch, in his official status, sent Foster's introduction to the Virtual P.O. Box Initiative for consideration and as an official recommendation to the Postal Service. Thereafter, Foster sent Congressional Notices to the Honorable Stephen Lynch and Jason Chaffetz, pertaining to the misconduct of the Defendants, Postal Service and Pitney Bowes, Inc. Neither Rep. Lynch nor Chaffetz responded to Foster. Later, Foster discovered both Representatives Lynch and Chaffetz were recipients of campaign contributions from Pitney Bowes, Inc. (a true and correct copy of Congressional Notices to Rep. Lynch and Rep, Chaffetz is attached hereto, incorporated herein, and marked as **Exhibit "R"**).

234. The acts of bribery, a Federal contractor making campaign contributions to candidates of Federal offices to influence official acts benefitting their personal and business interest, and *quid pro quo* political corruption set forth above constitute a pattern of racketeering activity pursuant to 18 USC §1961(5).

235. The Count II Defendants have directly or indirectly conducted and participated in the conduct of the enterprise's affairs through the pattern of racketeering and activity as described above, in violation of 18 U.S.C. §1962(a), (b), & (c).

236. As a direct and proximate result of the Count II Defendants' racketeering activities and violations of 18 USC §1964(c). Plaintiffs, Foster, the United States, and US citizens have been injured in their business and property.

237. WHEREFORE, Plaintiff request that this Court enter judgment against Count I Defendants as follows: Pitney Bowes, Inc., Pitney Bowes, Inc. PAC, and Pitney Bowes, Inc. employees are prohibited from making campaign contributions to candidates of Federal offices. Pitney Bowes, Inc. Pac shall be ordered to cease and desist.

g) Count III: Civil-RICO §1962(c) Violations of §1341 Mail Fraud & §1343 Wire Fraud

238. The allegations of paragraphs 6-22, and 125-132 are incorporated herein by reference.

239. This Count is against Defendants Postal Service, Postal Operatives, and Joseph Adams.

240. The Postal Service is an enterprise engaged in and whose activities affect interstate and foreign commerce. The Count III Defendants are employed by or associated with the enterprise.

241. The Count III Defendants agreed to and did conduct and participate in the conduct of the enterprise's affairs through a pattern of racketeering activity and for the unlawful purpose of intentionally defrauding Plaintiff.

242. Specifically: On November 5, 2009, the House Federal Workforce Oversight Subcommittee held a hearing on the "Future of the Postal Service" to examine revenue-generation initiatives for the Postal Service. The panel of Postal Witnesses included Robert Reisner, President Strategic Planning and Transformation Strategies, Robert Bernstock, President of Shipping and Mailing Services, and Former Deputy PMG Michael Coughlin. The Postal Witnesses failed to present any viable revenue generators and did not present any similar initiatives to that of Foster's Virtual P.O. Box Initiative.

243. The Postal Witnesses and the House Subcommittee formally extended the Postal Service's solicitation, requesting the private sector to bring the Postal Service innovative ideas. Thereafter, Foster submitted copies of the introduction to the Virtual P.O. Box Initiative to members of the House Subcommittee, including Chairman Steven Lynch.

244. On December 12, 2009, Foster received an email from the Postal Service through a Joseph K. Adams, GM Online Marketing and Marketing Services to the

USPS. Mr. Adams informed Foster that House Federal Workforce Subcommittee Chairman Steven Lynch forwarded the introduction of the Virtual P.O. Box Initiative to the Postal Service for review and consideration. The Postal Service's email indicated that they have been working on similar ideas prior to receiving the introduction of Foster's Virtual P.O. Box Initiative from Rep. Lynch. The Postal Service's email indicated the "similar ideas" were not Foster's intellectual property, as they could not work with Foster in the implementation of the Virtual P.O. Box Initiative.

245. In continuance of their racketeering activity, the Defendants email was employed to be a deceptive device, using US wires, intended to defraud Foster and Rep. Lynch to believe the Postal Service had similar ideas that were independent, or free and clear of Foster's intellectual property/proprietary information. With this deceptive act, the Defendants intended to implement Foster's intellectual property under the façade that the Postal Service already had similar ideas of their own. The Defendants used the Joseph Adams email to cloak their intentions to steal Foster's intellectual property.

246. Pursuant to and in furtherance of their fraudulent scheme, the Defendants committed multiple related acts of fraud by: (1) the Postal Service Witnesses withholding material facts pertaining to them having "similar ideas" or revenue generators from the House Federal Workforce Subcommittee, (2) falsifying material facts to Chairman Stephen Lynch, and, (3) making false or using any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry, in violation of 18 USC §§1001(a)(1)-(3) & (c)(1) & (2), and, (4) failing to implement their similar ideas as revenue generators in further commission of the demise of the Postal Service, (5) the USPS OIG released five reports and Senate Testimony plagiarizing Foster's proprietary information in violation of 18 USC §1001, (6) theft of Foster's intellectual property with the launching of Volly.com outside the US, in violation of 18 USC §1831 Economic Espionage and §1832 Theft of Trade Secrets, (7) using Foster's information in part with the 2014 implementation of "non-revenue generator" USPS Business Customer Gateway, CRID's and MID's.

247. The acts of misrepresentation/fraud, withholding material facts in a Congressional review, falsifying material facts and making or using false writing or document knowing the same to contain materially false or fictitious statements to deceive the US Legislative Branch and Plaintiff, theft of Plaintiff's intellectual property, unlawfully using Foster's information without permission, using US wires and US mail, constitute a pattern of racketeering activity pursuant to 18 USC §1961(5).

248. The Count III Defendants have directly or indirectly conducted and participated in the conduct of the enterprise's affairs through the pattern of racketeering activity described above, in violation of 18 U.S.C. §1962(c).

249. As direct and proximate result of Count III Defendants' racketeering activity and violations of 18 U.S.C. §1962(c), the Defendants have caused injury in the business and property of the Plaintiff, the United States, and US citizens, as contemplated by 18 USC §1964(c). Plaintiff has been injured in his business and property in that: Plaintiff suffered injury, including but not limited to, loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money it would have earned, together with such other unspecified damages as may be allowable by law.

250. WHEREFORE, Plaintiff request that this Court enter judgment against Count I Defendants as follows: actual damages, treble damages, in excess of $150,000,000.

h) Count IV: Civil-RICO §1962(c) Violations of §1341 Mail Fraud & §1343 Wire Fraud

251. Paragraphs 9-32 and 133-144 are referenced here.

252. Count IV is against US Postal Service, IG Dave Williams, USPS OIG, and John Does 1-10.

253. The Postal Service is an enterprise engaged in and whose activities affect interstate and foreign commerce. The Count IV Defendants are employed by or associated with the enterprise.

254. Count IV Defendants agreed to and did conduct and participate in the conduct of the enterprise's affairs through a pattern of racketeering activity and for the unlawful purpose of intentionally defrauding Plaintiff, the United States and US citizens.

255. Specifically: The USPS OIG plays a supervisory role in the Postal Service's decision making. In May 2007, Foster corresponded with the USPS OIG, specifically IG Dave Williams, confirming the office was aware of Foster's proposal for the Postal Service. The USPS OIG was one of the USPS "internal stakeholders" that the Postal Service referred to in Thomas Cinelli May 31, 2007 email, confirming the internal stakeholders had reviewed Foster's introduction to the Virtual P.O. Box Initiative. (See paragraph 8, 65, and Exhibit "C") On February 24, 2011, the USPS OIG, using US Wires and US Mail, employed a deceptive device through the release of report number: RARC-WP-11-002, "The Postal Service Role in the Digital Age".

256. The USPS OIG report was an intentional act of plagiarism, misrepresentation/fraud, misappropriation of trade secrets, violations of 39 USC §404(a)(2), §404(e) unfair methods of competition, and applicable antitrust laws, *inter alia*. The Defendants employed the deceptive device of the USPS OIG Report intended or with the intention to defraud Foster out of his property.

257. On February 28, 2011, Foster contacted the USPS OIG and left a message on IG Dave Williams' answering service. In the message, Foster accused the USPS OIG of plagiarizing the proprietary information of the Virtual P.O. Box Initiative. On March 4, 2011, the USPS OIG, through a Mohamed Adra, contacted Foster via phone call using the US Wires to carry out scheme intended or with the intention to defraud Foster. Mr. Adra stated, "We (USPS OIG) are a Government Agency, we can't pick a winner from the private sector…we can't tell the Postal Service to go with F D Foster, and we can't tell them to go with Bill Gates and Microsoft, but we can share in findings".

258. The Defendants cloaked their plagiarism and ongoing racketeering activity by giving their misconduct the deceptive description of "sharing findings". The role of the USPS OIG in the Defendants conspiracy was to cloak the theft of Foster's intellectual property by describing the act of plagiarism as sharing findings, saturate public record with their report, allowing the Defendants to implement the information that is in public record and/or the USPS OIG version of Foster's intellectual property.

259. Thereafter, the USPS OIG continued their misconduct, violations, and plagiarism of Foster's proprietary information/intellectual property with the release of three (3) additional parts to a four part series of reports; RARC-WP-12-001 "Digital Currency: Opportunities for the Postal Service on October 3, 2011, RARC-WP-12-002 Postal Service Revenue: Structure, Facts, and Future Possibilities" on October 6, 2011, and RARC-WP-12-003 "eMailbox and eLockbox: Opportunities for the Postal Service" on November 14, 2011. These three USPS OIG reports were released within a six (6) week period. Moreover, the USPS OIG reports are entered into the records of the executive and legislative branches of the US Government.

260. The Defendants used the platform of the US Government to perpetuate their racketeering activity. The Defendants plagiarized Foster's proprietary information with the intent to defraud Foster, and also with the intent to deceive the US Government into believing the Defendants possessed viable solutions to the Postal Service's failing financial condition and its future. The Defendants intentionally and willfully covered up (their plagiarism) by a trick, devised a material fact that made materially false representations. The Defendants made and used false writings or documents, knowing the same to contain materially fraudulent statements. 18 USC §1001- Statements or entries generally sets forth in pertinent part, "*(a) whoever, in any matter within the jurisdiction of the executive, legislative branch…of the Government of the United States, knowingly and willfully- (1) falsifies, conceals, or covers up by any trick, scheme, or* *device a material; fact; (2) make any material false, fictitious , or fraudulent statement or representation; or (3) makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry; shall be fined under this title*…"

261. Pursuant to and in furtherance of their fraudulent scheme, the Defendants committed multiple related acts of fraud by: (1) releasing three additional reports that plagiarized Plaintiff's intellectual property/proprietary information, (4) releasing a fourth report ms-wp-13-002 Virtual Post Office Boxes on April 17, 2013 using same title as Foster's proprietary information/intellectual property. On the surface, the OIG describes an "annex" to the customer's current P.O. Boxes, but within this report, the OIG continued to plagiarize Foster's intellectual property, (5) IG David Williams plagiarizing Foster intellectual property in his September 19, 2013 Senate Testimony, making false or using any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry, in violation of 18 USC §§1001(a)(1)-(3) & (c)(1) & (2).

262. The acts of plagiarism, violating 39 USC §404(a)(2) and §404(e), making false writings, and false statement to the Legislative and Executive Branches of the US Government, using US wires and US mail, set forth above constitute a pattern of racketeering activity pursuant to 18 U.S.C. § 1961(5).

263. The Count IV Defendants have directly and indirectly conducted and participated in the conduct of the enterprise's affairs through the pattern of racketeering and activity described above, in violation of 18 U.S.C. § 1962(c).

264. As a direct and proximate result of the Count IV Defendants' racketeering activities and violations of 18 U.S.C. § 1962(c), Plaintiff, the United States, and US citizens have been injured in their business and property.

265. WHEREFORE, Plaintiff requests that this Court enter judgment against the Count I Defendant(s) as follows: prays for relief for damages including actual damages, treble damages in excess of $150,000,000.

i) Count V: Civil-RICO §1962(a) *thru* (d) Violations of §1341 Mail Fraud & §1343 Wire Fraud §1957 Engaging in Monetary Transactions in property Derived From Specified Unlawful Activity, Fraud in the Sale of Securities

266. The allegations of paragraphs 9-21, 33-34, 83-84, 108-124, and 145-161 are incorporated herein by reference.

267. This Count is against Defendants Pitney Bowes, Inc., Postal Service, Michael Critelli, Patrick Donahue, and John Does 1-10, the "Count V Defendants".

268. Pitney Bowes, Inc. and the Postal Service are enterprises engaged in and whose activities affect interstate commerce.

269. The Count V Defendants used and invested income that was derived from a pattern of racketeering activity in an interstate enterprise. Specifically: In March or April 2011, USPS Stakeholder/Supplier Pitney Bowes, Incorporated, using the US wires and mail, announced the launching of Volly.com, a secure digital delivery service. Volly.com was a duplicate of identical features of Foster's intellectual property. Subsequent to their 2007 violations of 39 USC §404(a)(2), in the unlawful disclosure of Foster's intellectual property to third parties, the Defendants employed the deceptive devices of misrepresentation/fraud, misappropriation of trade secrets, theft of trade secrets, economic espionage, in the launching Volly.com in the name of Pitney Bowes, Inc. outside of the United States.

270. Defendant Pitney Bowes, Inc. is a publicly traded corporation. Leading up to, during, and thereafter the March 2011 Volly.com launch, Pitney Bowes, Inc. sold securities based on material nonpublic information misappropriated in breach of a duty of trust or confidence. The Defendants, USPS and Pitney Bowes, Inc., have a history of sharing confidences such that the recipient of the information should know that the person communicating the material nonpublic information expects that the recipient will maintain its confidentiality.

271. The Defendants have violated §10(b) & 10b5-2 duties of trust or confidence resulting in misappropriation insider trading, fraud in the sale of securities, *inter alia*. 17 CFR 240.10b5-2 Duties of trust or confidence in misappropriation insider cases- *17 CFR 240.10b-5, it shall be unlawful for any person, directly or indirectly, by the use of any means or instrumentality of interstate commerce, or of the mails or any facility of securities exchange, (a) To employ any device, scheme, or article to defraud, (b) To make any untrue statement of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, or (c) To engage in any act, practice, or course of business which operates or would operate* *as a fraud or deceit upon any person, in connection with the purchase or sale of any security*. In United States v. O'Hagan, the Supreme Court decided the question, "*Is a person who trades securities for personal profit, using confidential information misappropriated in breach of a fiduciary duty to the source of the information, guilty of violating § 10(b) and Rule 10b-5*?" "*Our answer to the question is yes*…" (See United States v. O'Hagan, 531 US 642- Supreme Court 1997).

272. In further violation of Rule 10b-5, Pitney Bowes, Inc. withheld or omitted the material fact in their 2011 10K US SEC Report. Pitney Bowes, Inc. omitted the material fact that there was a legal proceeding against them pertaining to Volly.com. The legal action, Foster vs. Pitney Bowes, Inc. and USPS was filed and served on November 23, 2011. Pitney Bowes, Inc. 2011 10K Annual Report was produced on March 19, 20012.

273. The Defendants, in the name of Pitney Bowes, Inc., generated and raised funds through the announcement of the launching of Volly.com and the sale of securities. Thereafter, the Defendants invested income derived from racketeering activity into the development and launching of Volly.com.

274. The evidence shows, the Defendants employed a scheme to defraud Plaintiff after: (1) the June 11, 2007 unlawful disclosure of Plaintiff's intellectual property/proprietary information (Postal Service to Pitney Bowes, Inc.), (2) Plaintiff decided customer payments would be deposited in Plaintiff's account, denying the Postal Service control of the interest accrued from $Billions of Dollars, and, (3) Plaintiff decided he would hire programmers from the private sector to develop software and web site for the Virtual P.O. Box, denying Pitney Bowes, Inc. interest in the development of the software and enrichment from licensing fees. Thereafter, the Defendants engaged in the misappropriation and theft of Plaintiff's trade secrets, unjust enrichment, misrepresentation/fraud, *inter alia*, and the launching of Volly.com. The Defendants employed and deployed an additional deceptive device of economic espionage by launching Volly.com outside of the United States in violation of 18 USC §1831.

275. The Defendants engaged in acts, practices, or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the purchase or sale of any security. The Defendants' racketeering activity and scheme to defraud Plaintiff, employed the use of US mail and wires. The Defendants have received income derived from a pattern of racketeering activity and the establishment of an enterprise which is engaged in activities of which effect interstate and foreign commerce in violation §§1962 (a) *thru* (d).

276. The acts of violating §10(b), 17 CFR 240.10b-2, and 17 CFR 240.10b-5, misappropriation of trade secrets, unjust enrichment, conversion, *inter alia*, using the US Wires and Mail constitutes a pattern of racketeering activity pursuant to 18 U.S.C. § 1961(5).

277. As a direct and proximate result of the Count V Defendants' racketeering activities and violations of 18 U.S.C. § 1962(a) *thru* (d), the Defendants have caused Plaintiff to suffer damages as set forth hereinabove, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money it would have earned, together with such other unspecified damages as may be allowable by law. Plaintiffs have been injured in their business and property from the investment of the racketeering income that are separate from any injuries from the conduct of the enterprise through a pattern of racketeering.

278. WHEREFORE, Plaintiff requests that this Court enter judgment against the Count V Defendants as follows: Plaintiff prays for relief for damages including actual damages, treble damages in excess of $3,000,000,000.

j) Count VI: Civil-RICO §1962(a) *thru* (d) Violations of §1341 Mail Fraud & §1343 Wire Fraud, §1831 Economic Espionage, and §1832 Theft of Trade Secrets

279. The allegations of paragraph 266-276 are incorporated herein by reference.

280. This Count is against Defendants Pitney Bowes, Inc., Postal Service, Michael Critelli, Patrick Donahue, and John Does 1-10, the "Count VI Defendants".

281. Pitney Bowes, Inc. and the Postal Service are enterprises engaged in and whose activities affect interstate and foreign commerce.

282. The Count VI Defendants agreed to and did conduct and participate in the conduct of the enterprise's affairs through a pattern of racketeering activity and for the unlawful purpose of intentionally defrauding Plaintiff.

283. The Count VI Defendants used and invested income that was derived from a pattern of racketeering activity in an interstate and foreign enterprise. Specifically: On June 11, 2007, the Postal Service stated they had unlawfully disclosed Foster's proprietary information/intellectual property, Virtual P.O. Box Initiative, to third parties, “potential” USPS Stakeholder Pitney Bowes, Inc., the key stakeholder/incumbent supplier of technology to the Postal Service.

284. On or about March 2011, Pitney Bowes, Inc., using US wires and mail, Pitney Bowes, Inc. announced the launching of Volly.com, containing identical features of Foster’s intellectual property. Thereafter, the Defendants sold securities while engaging in acts, practices, or course of business which operates or would operate as a fraud or deceit upon any person, namely Plaintiff Foster. The Defendants invested racketeering income derived from the fraudulent sale of securities into the development and launching of Volly.vom. The Defendants launched Volly.com in the name of Pitney Bowes, Inc. outside the United States in violation of 18 USC §1831 Economic Espionage and §1832 Theft of Trade Secrets.

285. The theft of trade secrets, act of economic espionage using the US Mails and Wires constitutes a pattern of racketeering activity pursuant to 18 USC §1961(5).

286. As a direct and proximate result of the Count VI Defendants’ racketeering activities and violations of 18 USC §1962(a) *thru* (d), the Defendants have caused Plaintiff to suffer damages as set forth hereinabove, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money it would have earned, together with such other unspecified damages as may be allowable by law. Plaintiffs have been injured in their business and property from the investment of the racketeering income that are separate from any injuries from the conduct of the enterprise through a pattern of racketeering.

287. WHEREFORE, Plaintiff requests that this Court enter judgment against the Count V Defendants as follows: Plaintiff prays for relief for damages including actual damages, treble damages in excess of $3,000,000,000.

k) Count VII: Civil-RICO §1962(c) Violations of §1341 Mail Fraud & §1343 Wire Fraud

288. The allegations of paragraphs 39-40, 109-110, and 173-174 are incorporated herein by reference.

289. Count VII is against US Postal Service, IG Dave Williams, USPS OIG, and John Does 1-10.

290. The Postal Service is an enterprise engaged in and whose activities affect interstate and foreign commerce. The Count VII Defendants are employed by or associated with the enterprise.

291. Count VII Defendants agreed to and did conduct and participate in the conduct of the enterprise's affairs through a pattern of racketeering activity and for the unlawful purpose of intentionally defrauding Plaintiff, the United States and US citizens.

292. Specifically: The misconduct pertaining to the continued acts of plagiarism and violations of 18 USC §1001 by the USPS OIG including the said four (4) part series of reports in 2011, the OIG's April 17, 2013 report ms-wp-13-002 Virtual Post Office Boxes, and IG David Williams September 19, 2013 Senate Testimony. (See Exhibit "J"). On April 17, 2013, five (5) days after the District Courts denied Foster's motion for reconsideration, the USPS OIG released Report Number ms-WP-13-002, “Virtual Post Office Boxes”. Thereafter, on September 19, 2013, IG David Williams knowingly and intentionally gave Senate Testimony that plagiarized Foster’s proprietary information and listed identical features of Foster’s intellectual property. The Defendants used the platform of the US Senate to perpetuate their racketeering activity. The Defendants plagiarized Foster’s proprietary information with the intent to defraud Foster, and also with the intent to deceive the US Senate into believing the Defendants possessed viable solutions to the Postal Service’s failing financial condition and its future. The Defendants intentionally and willfully covered up by a trick, omitted to state material facts; therefore the Defendants made materially false representations. The Defendants entered false writing or document knowing the same to contain materially fraudulent statements in further violation of 18 USC §1001.

293. Pursuant to and in furtherance of their fraudulent scheme, the Defendants committed multiple related acts of fraud by: (1) releasing three additional reports that plagiarized Plaintiff’s intellectual property/proprietary information, (2) misappropriation of trade secrets, (3) violating 39 USC §404(a)(2) which prohibits the disclosure of intellectual property to any third party (public record) , and, (4) making false or using any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry, in violation of 18 USC §§1001(a)(1)-(3) & (c)(1) & (2), using the US wires and US mail.

294. The acts of plagiarism, violating 39 USC §404(a)(2) and §404(d), 18 USC §1001, making false writings, and false statement to the Legislative and Executive

Branches of the US Government, using US wires and US mail, set forth above constitute a pattern of racketeering activity pursuant to 18 U.S.C. § 1961(5).

295. The Count VII Defendants have directly and indirectly conducted and participated in the conduct of the enterprise's affairs through the pattern of racketeering and activity described above, in violation of 18 U.S.C. § 1962(c).

296. As a direct and proximate result of the Count VII Defendants' racketeering activities and violations of 18 U.S.C. § 1962(c), Plaintiff, the United States, and US citizens have been injured in their business and property.

297. WHEREFORE, Plaintiff requests that this Court enter judgment against the Count VI Defendants as follows: Plaintiff prays for relief, including actual damages, treble damages.

l) Count VIII: Civil-RICO §1962(c) Violations of §1341 Mail Fraud & §1343 Wire Fraud

298. The allegation of paragraphs 7-17, 36-41, 96-99, and 148-151 are incorporated herein by reference.

299. Count VIII is against Patrick Donahue, Ronald Stroman, US Postal Service, IG Dave Williams, USPS OIG, and John Does 1-10.

300. The Postal Service is an enterprise engaged in and whose activities affect interstate and foreign commerce. The Count VIII Defendants are employed by or associated with the enterprise.

301. Count VIII Defendants agreed to and did conduct and participate in the conduct of the enterprise's affairs through a pattern of racketeering activity and for the unlawful purpose of intentionally defrauding Plaintiff, the United States and US citizens.

302. Specifically: On November 4, 2014 Foster discovered the Postal Service was using the identical features of the Virtual P.O. Box Initiative. Foster discovered Mailer Registration Identification (MIDs) and Customer Registration Identification (CRIDs). Thereafter Foster discovered the Postal Service had implemented several services including but not limited to the "Business Customer Gateway" which contains identical features of the Virtual P.O. Box intellectual property. The implementation of MID, CRID, and the Business Customer Gateway by the Postal Service are violations of §404 (a)(3), 404(d), *inter alia*.

303. The discovery was compelled by the USPS Law Department. On October 16, 2014, Foster conducted a settlement conference with the USPS Law Department. Without disclosing the details of the settlement conference, the Defendants employed deceptive devices in furtherance of their racketeering activity.

304. The USPS Law Department elected to omit the procedures of discussing background of Foster's claims and liability of the Postal Service. The USPS Attorneys clearly stated they did not need to hear or discuss any issues relating to background or liability; they were only interested in hearing Foster's settlement demand.

305. On or about October 24, 2014, Foster served the USPS Law Department with his settlement demand. Foster reiterated that the basis of the settlement is §404(a)(2) violations made by the Postal Service in disclosing Foster's intellectual property to third parties, specifically Pitney Bowes, who misappropriated it in Volly.com, while §404(a)(3) and the PRC Order 2207 prohibits the Postal Service from directly using Foster's information without his permission.

306. At that time, the Defendants knew that Foster was unaware the Postal Service had misappropriated Foster's intellectual property and was directly using Foster's information without his permission.

307. Several days after serving the settlement demand, Foster received a call from James M. Mecone of the USPS Law Department. Mr. Mecone asked Foster, did he (Foster) have proof or evidence of the Postal Service directly using the Virtual P.O. Box intellectual property? Mr. Mecone concluded, "When you have proof of the Postal Service directly using your intellectual property, contact us."

308. The Defendants cloaked the Postal Service's theft and misappropriation of Foster's intellectual property and took advantage of Foster's lack of knowledge that the Postal Service was directly using identical features of the Virtual P.O. Box Initiative. Moreover, the Postal Service devised the scheme to implement MIDs, CRIDs, and the Business Customer Gateway as an extension current services (a digital extension of their current physical services) that doesn't directly generate revenue, and offer the services to business mailers only and not to the general public; (1) to omit normal marketing and promotions which would make Foster aware of their misconduct, (2) to evade the authority of the Postal Regulatory Commission since the services are not Market-Dominate or Competitive Products, (3) to create a deceptive means for the

Postal Service to escape injunctive relief order by the PRC, (4) to escape Foster's potential claims of unjust enrichment, (5) to increase the Postal Service's losses by paying the costs to implement services that are not revenue generators and offer no immediate returns, (6) to create the deception that the misconduct does not affect interstate commerce.

309. While the Postal Service's MIDs, CRIDs, and the Business Customer Gateway may not directly generate revenue in its present business model, it can generate revenue indirectly and encourage the business customer to do more business and does affect interstate and foreign commerce. Moreover, Business Customer Gateway and Volly.com are the same business model except Volly.com generates revenue. The Defendants indicate their intentions to partner in Volly.com, in a May 2013 statement from Pitney Bowes CEO Marc Lautenbach. (See paragraph 150-153)

310. The Defendant's misconduct relating to misappropriation of Plaintiff's trade secrets also raises issues of the Defendants knowingly and willingly making false statements or false representations, making or using false writing or document as entry to the Executive and Legislative Branches of the US Government in violations of 18 USC §§1001(a)(1)-(3) & (c)(1) & (2). Since the Postal Service reports to the USPS OIG who reports to the Legislative and Executive Branches of the US Government.

311. Pursuant to and in furtherance of their fraudulent scheme, the Defendants committed multiple related acts of fraud by: (1) misappropriating Plaintiff's trade secrets, (2) implementing the Business Customer Gateway subsequent or after the MID's, and CRID's, violations of §404(a)(3) & §404(d) relating to unfair or deceptive acts or practices, (3) §404(e) pertaining to a government agency, the USPS OIG, acting on behalf or in concert with the Postal Service in methods of unfair competition, *inter alia*, (4) employing the deceptive device of withholding material facts with the intent to further deceive and defraud Plaintiff during and after the settlement conference, violations of §404(d) pertaining to unfair or deceptive acts or practices, *inter alia*, (5) 18 USC §1001 withholding material facts from or making false statements or fraudulent representations, false documents or writings to the Executive and Legislative Branches of US Government, using the US wires and US mail.

312. The acts of misappropriation of trade secrets, violating 39 USC §404(a)(3) and §404(d), making false writings, and false statement to the Legislative and Executive Branches of the US Government, using US wires and US mail, set forth above constitute a pattern of racketeering activity pursuant to 18 U.S.C. § 1961(5).

313. The Count VIII Defendants have directly and indirectly conducted and participated in the conduct of the enterprise's affairs through the pattern of racketeering and activity described above, in violation of 18 U.S.C. § 1962(c).

314. As a direct and proximate result of the Count VIII Defendants' racketeering activities and violations of 18 U.S.C. § 1962(c), Plaintiff, the United States, and US citizens have been injured in their business and property.

315. The pattern of the Defendants' violations of 18 U.S.C. §1962(c) has caused injury in the business and property of the Plaintiff, the United States, and US citizens, as contemplated by 18 USC §1964(c).

316. WHEREFORE, Plaintiff requests that this Court enter judgment against the Count I Defendant(s) as follows prays for relief, including actual damages, and treble damages.

m) Count IX: Civil-RICO §1962(a) (c) & (d) Violations of §1341 Mail Fraud & §1343 Wire Fraud Pattern of Racketeering Activity Collection of Unlawful Debt Effecting Interstate and Foreign Commerce

317. The allegations of paragraphs 86-105 are incorporated and referenced herein.

318. Count IX is against Defendants the Postal Service, Patrick Donahue, Ronald Stroman, Tom A. Samra, Pitney Bowes, Inc. and John Does 1-10.

319. Count IX Civil-RICO Violations pertains to: the Defendants scheme and pattern of racketeering activity involving the intentional sabotage, dismantling, and demise of the Postal Service through the liquidation and unlawful sales of Postal Service properties steeply discounted below market value, unlawful sales of historic properties, making materially false statements and representations to the Executive and Legislative branches of Government, and creating crisis and intentional revenue losses for the Postal Service.

320. The Postal Service and Pitney Bowes, Inc. are enterprises engaged in and whose activities affect interstate and foreign commerce. The Count IX Defendants are employed by or associated with the enterprise.

321. Count IX Defendants agreed to and did conduct and participate in the conduct of the enterprise's affairs through a pattern of racketeering activity and for the unlawful purpose of intentionally defrauding Plaintiff, the United States and US citizens.

322. Specifically: as part of their plot to sabotage and dismantle the assets of the Postal Service, in order to create the deception that the Postal Service was insolvent, the Defendants engaged in the liquidation and unlawful sale of Postal Service properties well below market value, and the unlawful or noncompliant sale of historic properties.

323. The USPS OIG April 16, 2014, Preservation and Disposal of Historic Properties Audit Report Number SM-AR-14-004 found the Postal Service: (1) did not know how many historic properties it owned or the cost to preserve them as required by the National Historic Preservation Act, (2) failed to report the status of its historic artwork to the National Museum of Art, as required by Postal Service Handbook RE-6, facilities and Environmental Guide, when the Defendants sold 10 historic properties, (3) as of July 2013, it had 25 historic properties listed for sale and was considering selling another 28.

324. On or about March 30, 2004, the Postal Service sold historic property, Philadelphia Main Post Office, located at 2970 Market Street, Philadelphia, PA. On September 20, 2014, the Postal Service announced their intention to close and sell property historic property commonly known as "Atlantic Street Station", located at 421 Atlantic Street, Stamford, CT 06904. These specific historic properties are only two of the numerous unlawful historic properties the Defendants sold or intended to sell.

325. The USPS OIG conducted an audit of Postal Service property sales, leases, and the contract between the Postal Service and CB Richard Ellis, Inc. (CBRE). CBRE is the sole provider of Postal Service real estate management services. The OIG's audit pertaining to the Postal Service and CBRE resulted in three (3) reports; "*Contracting of Real Estate Management Services*" Report Number SM-AR-13-001, dated June 12, 2013, "*Risk Associated With CB Richard Ellis, Inc. Contract*" Report Number SM-MA-14-003, dated February 12, 2014, and, "*Postal Service Management of CBRE Real Estate Transactions*" Report Number SM-AR-15-003, dated April 22, 2015.

326. The USPS OIG audits found inherent risks associated with the CB Richard Ellis contract. Specifically, there are conflict of interest concerns and no maximum contract value. The USPS OIG found many if not most of the property transactions made by CBRE to be self-defeating for the Postal Service.

327. The Defendants collected unlawful debts. The USPS OIG found that CBRE extorted landlords that rented facilities to the Postal Service into paying them commissions to renew Postal Service leases. The USPS OIG reported that some of the landlords were told by CBRE agents that, "*if they did not agree to pay CBRE a commission, CBRE, as the Postal Service's representative, would find another building and discontinue the lease*."

328. The OIG determined that the Postal Service landlords had paid $20,600,000 in commissions over two years, which CBRE added to the rent cost, "*causing the Postal Service to pay CBRE to negotiate against the Postal Service*."

329. The OIG auditors examined 21 of 49 property sales negotiated by CBRE and found serious problems with 66 per cent of them. Appraisals for seven of the CBRE brokered sales were deemed “insufficient,” “flawed,” “mistaken,” or “speculative.”

330. The Postal Service St. Paul, Minnesota office building was assessed at a value of $25,300,000 in 2009 but was appraised by a CBRE contractor at $2,700,000. CBRE sold said property for $5,250,000.

331. CBRE was strategically given the Postal Service’s property management contract to perpetuate the Defendants’ scheme to dismantle the Postal Service. The addition of CBRE, allows the Defendants, Postal Service and Pitney Bowes, Inc., to cloak their misconduct and intentional fraud, leaving CBRE liable for any wrong doing in activities pertaining to property sales and leases. While the USPS OIG describes the activities of CBRE as questionable and has given its findings to the OIG Investigation Department, the activities of the Defendants constitute acts of extortion, embezzlement, fraudulent conveyance, *inter alia*.

332. Therefore the Defendants have received income derived, directly or indirectly from a pattern of racketeering activity or through collection of unlawful debt in which such person has participated as a principal within the meaning of section 2, title 18 USC, to use or invest, directly or indirectly, any part or such income, or proceeds of such income, in acquisition of any interest in, or the establishment or operation of, any enterprise which is engaged in, or the activities which affect, interstate or foreign commerce.

333. The record shows the Defendants have a history and business relationship and the addition of CBRE is an act of cronyism. Specifically, Defendants the Postal Service and Pitney Bowes, Inc. have a business relationship that spans over 95 years, wherein Pitney Bowes, Inc. is the Postal Service's key stakeholder, primary incumbent supplier of machinery/technology, has the largest National pre-sorting network and is largest recipient of the Postal Service's work share discounts.

334. The record shows Pitney Bowes, Inc. has a history and business relationship with CBRE. (1) Steven Bardsley, the former Director of Real Estate and Facilities Management to Pitney Bowes, Inc., is the Senior Vice President of Investment Properties to CBRE, (2) Robert F. Krohn was Founder, Chairman and CEO of Presort Services, Inc (PSI Group), while Bill Dana was the President of the largest mail presorting company at the time. Pitney Bowes, Inc. bought PSI Group and renamed it Pitney Bowes Presort Services, Inc. Robert F. Krohn was remained Founder, Chairman, and CEO of Pitney Bowes Presort Services, Inc. while Bill Dana remained president. Bill Dana was hired by CBRE in 2002, as Vice President of Brokerage to CBRE/MEGA.

335. The evidence shows the Postal Service has been recklessly and intentionally negligent in the oversight of their property leases and sales. The evidence shows the Defendants have caused intentional injury to the Postal Service, the institution or Government owned corporation.

336. Moreover, the US OIG recommended the Postal Service terminate and re-compete the CBRE contract. Tom Samara, USPS Vice President of Facilities, and the current PMG refused to terminate the contract, and say they believe CBRE has done nothing wrong.

337. Pursuant to and in furtherance of their fraudulent scheme, Defendants committed multiple related acts of unlawful sale of historic properties, embezzlement, employee sabotage and fraudulent conveyance using the US wires and US mails.

338. The acts of unlawful sale of historic properties, extortion, embezzlement, sabotage, and fraudulent conveyance set forth above constitute a pattern of racketeering activity pursuant to 18 U.S.C. § 1961(5).

339. The Count IX Defendants have directly and indirectly conducted and participated in the conduct of the enterprise's affairs through the pattern of racketeering and activity described above, in violation of 18 U.S.C. § 1962(c).

340. As a direct and proximate result of the Count IX Defendants' racketeering activities and violations of 18 U.S.C. § 1962(c), Plaintiff, United States, and US citizens have been injured in their business and property in that: loss of potential earnings, loss of historic property, deficient or altered postal services, *inter alia*.

341. WHEREFORE, Plaintiff requests that this Court enter judgment against the Count IX Defendants as follows prayers for relief, including actual damages, treble damages.

h) Count X: Civil-RICO §1962(b) *thru* (d) Violations of §1341 Mail Fraud & §1343 Wire Fraud, §201 Bribery, 18 USC §1001 Making False Statements and Fraudulent Entries

342. The allegations of paragraphs 61, 65-107, and 195-197 are incorporated and referenced herein.

343. Count X is against Defendants the Postal Service, Patrick Donahue, Ronald Stroman, Michael Critelli, Pitney Bowes, Inc. and John Does 1-10.

344. Count X Civil-RICO Violations pertains to: the Defendants scheme and pattern of racketeering activity involving the intentional sabotage, dismantling, and demise of the Postal Service and the exasperation of its failing financial condition.

345. The Postal Service and Pitney Bowes, Inc. are enterprises engaged in and whose activities affect interstate and foreign commerce. The Count X Defendants are employed by or associated with the enterprise.

346. Count X Defendants agreed to and did conduct and participate in the conduct of the enterprise's affairs through a pattern of racketeering activity and for the unlawful purpose of intentionally defrauding Plaintiff, the United States and US citizens.

347. Specifically: The evidence shows the Defendants ongoing conspiracy to force the demise the Postal Service and cause the privatization of its upstream operations. The Defendants employed additional deceptive devices. In an effort to cloak their misconduct in the furtherance of their scheme to sabotage and liquidate the Postal

Service's assets, on July 6, 2010 the Defendants intentionally submitted a noncompliant Exigent Request in the PRC. The Defendants intentionally omitted material facts in their request for an exigent rate increase (See Exigent Request of the U.S. Postal Service, Postal Regulatory Commission Docket No. R 2010-4 at 1). The Defendants knowingly and willingly entered an exigent request that intentionally failed to meet the requirements of 39 USC §3622(d)(1)(E). The Defendants omitted required information, knowing the request would be denied, while they appeared to acting in the best interest of the Postal Service and the United States.

348. The Defendants intentionally omitted material facts pertaining to the impact of the recession on postal finances, how the requested rate increases relate to the recession's impact on postal volumes, and how the requested rate increases resolve the crisis at hand. Moreover, the Defendants intentionally omitted the extraordinary or exceptional circumstances pertaining to the impact of the Internet in the Postal Service's loss of mail volume and revenue.

349. The Defendants act of entering a noncompliant, frivolous exigent request was deceptive and dilatory for the purpose of "killing time" to prolong or extend the injury to the Postal Service's finances and losses. Thereby, perpetuating and exasperating the demise of the Postal Service. The Defendants did not want to make compliant exigent requests for changes that meet the requirements of the "reasonable and equitable and necessary" test that will allow the Postal Service to maintain and continue the development of postal services of the kind and quality adapted to the needs of the

United States. Doing so will repair the Postal Service's failing financial condition and defeat the Defendants scheme for privatization.

350. The Defendants appeared or pretended to address the extraordinary or exceptional circumstances (past events) that are the exigent causes for the Postal Service's revenue losses and the Postal Service's current need to get back on its feet. Yet, while addressing the extraordinary or exceptional circumstances, the Defendants filed a noncompliant exigent request that omits material facts that are required by law.

351. The record shows, the actions by the Defendants, pretending to be acting in the interest of the Postal Service and the United States, was done by their design since: (1) the "Great Recession" was in 2008, (2) the Defendants filed this noncompliant exigent request in 2010 knowing the request would be denied, knowing it will take years to be approved and meet the requirements of 39 USC §3622, *inter alia*, (3) the Postal Service was fully aware and gave full consideration to the impact of the Internet on the Postal Service's mail volume losses; proof of awareness and consideration included Foster's 2007 proprietary information, their supposedly similar ideas referred to by Joseph Adams and the OIG's four reports, (4) the Defendants renewed the exigent request in 2013,after, (4) the Defendants fund a report that is frivolously entitled, "An Independent Review of a Thought-Leader Concept to Reform the U.S. Postal Service", in a deceptive attempt to complete their scheme to privatize the Postal Service.

352. Moreover, the Defendants funding a study that is intended to influence official acts benefitting the Defendants personal and business interest, and then asserting that the study is "independent", constitutes the employment of a deceptive device.

Additionally, the Defendants funding a study that is intended to influence official acts benefitting the Defendants personal and business interest, constitutes an act of bribery in violation of §201. The Defendants paid money to the National Academy of Public Administration, a non-profit organization established to assist government leaders, with the intention of persuading them to release a report that will influence government officials to make official acts benefitting the Defendant's personal and business interest, namely, privatizing the Postal Service.

353. Pursuant to and in furtherance of their fraudulent scheme, Defendants committed multiple related acts of omitting material facts, and entry of false documents or writings using US mail and US wires are violations of 18 USC §1001.

354. The acts of bribery, embezzlement, and continued sabotage, set forth above constitute a pattern of racketeering activity pursuant to 18 U.S.C. § 1961(5).

355. The Count X Defendants have directly and indirectly conducted and participated in the conduct of the enterprise's affairs through the pattern of racketeering and activity described above, in violation of 18 U.S.C. § 1962(c).

356. As a direct and proximate result of the Count X Defendants' racketeering activities and violations of 18 U.S.C. § 1962(c), Plaintiff, United States, and US citizens have been injured in their business and property in that: loss of potential earnings, deficient or altered postal services, *inter alia*.

357. WHEREFORE, Plaintiff requests that this Court enter judgment against the Count X Defendants as follows prayers for relief, including actual damages, treble damages.

IV. CAUSES OF ACTION

COUNT I -- VIOLATIONS OF 39 U.S.C. §404(a)(2) & (3)

358. Plaintiff incorporates all preceding paragraphs, 1-357, as if set forth herein at length.

359. Foster created, designed, and developed the idea and concept for the Virtual P.O. Box Initiative, a secure digital delivery service, to be implemented and operated as a partnership with USPS. The Virtual P.O. Box Initiative is Foster's intellectual property, trade secrets, and proprietary information. Evidence shows the Postal Service violated Title IV of the Postal Accountability and Enhancement Act, relating to non-disclosure of intellectual property. Section 404(a)(2), sets forth that — "the Postal Service may not … compel the disclosure, transfer, or licensing of intellectual property to any third party (such as patents, copyrights, trademarks, trade secrets, and proprietary information).

360. Section 404(a)(3), sets forth that — "the Postal Service may not … obtain information from a person that provides (or seeks to provide) any product, and then offer any postal service that uses or is based in whole or in part on such information, without the consent of the person providing that information." By divulging Plaintiff's proprietary information to Pitney Bowes, Inc., and then partnering with Pitney Bowes. Inc. in the implementation of Volly.com, clearly amounts to —The Postal Service compelled the disclosure and transfer of intellectual property and; a postal service that uses or is based in whole or in part on … information" provided by plaintiff. Defendant USPS has violated the prohibitions set forth in Section 404 of the Postal Accountability and Enhancement Act.

361. Pitney Bowes, Inc., either in its capacity as a stakeholder of USPS, Government Employee (28 U.S.C. §2671), and/or in its capacity as a private business entity, is also liable for the theft of Plaintiff's ideas, and violating the said unfair competition standards as set forth in Section 403, 404(a)(2) & (3), 404(d). As a result of their wrongful and intentional misconduct, the Defendants have caused plaintiff to suffer damages as set forth herein and above, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money Plaintiff would have earned, together with such other unspecified damages allowable at law as may be ascertained through discovery and at trial.

WHEREFORE, Plaintiff demands judgment against the Defendants consisting of direct and/or consequential damages in an amount in excess of $150,000,000 and such other, further direct and/or consequential damages as are known or may become known during discovery or at trial, plus equitable and/or injunctive relief, requiring Defendants to cease and desist all operations of Volly.com and the USPS Business Customer Gateway, *inter alia*, and enjoining Defendants from operating or engaging in any conduct violates or would violate Plaintiff's rights pursuant to US Trade Secret Act, pursuant to 42 U.S.C.§1983, et seq, and pursuant to the Postal Accountability

Enhancement Act, plus statutory penalties, plus exemplary relief including treble and punitive damages, and any further relief deemed appropriate by the Postal Regulatory Commission.

COUNT II—UNLAWFUL INVESTMENTS OF COMPETITIVE PRODUCT FUNDS VIOLATIONS OF 39 USC §401(2)

362. Plaintiff incorporates all preceding paragraphs, 1-361, specifically: 86-105 and 317-339, as if set forth herein at length.

363. The Defendants, in furtherance of their scheme to privatize Postal operations, perpetuated the sabotage and the dismantling of the USPS assets including and relating to the assets of the Postal Service Competitive Products Fund. In June 2011, the USPS awarded a contract to CB Richard Ellis, Inc., to be sole provider of real estate management services. In 2013, the USPS OIG completed one of three audits of the Postal Service's real estate management contract with CBRE. The OIG audits found the Defendants through CBRE made unlawful collection of debts and counter-investments or divestments of the Postal Service's Competitive Product Funds. The OIG found that CBRE unlawfully extorted property owners to pay CBRE commissions for the renewal of Postal Service property leases, while collecting commissions from the Postal Service for renewing the leases at higher rents, *inter alia*.

364. The record shows the Postal Service awarding CBRE the real estate management contract was an act of cronyism between the Postal Service, Pitney Bowes, Inc., and CBRE.

365. The OIG audits found numerous faults and possibilities of illegalities with both the leasing deals and the sales of postal property, and it recommended terminating the CBRE contract. The OIG recommended the Postal Service recomplete the current CBRE real estate management services contract.

366. Despite the alarming findings of the OIG, USPS management refused to terminate the CBRE contract and does not believe CBRE has done anything wrong.

367. As a result of their wrongful and intentional misconduct, the Defendants have caused the Postal Service Competitive Product Fund to suffer damages as set forth herein and above, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money the fund would have earned, together with such other unspecified damages allowable at law as may be ascertained through discovery and at trial.

WHEREFORE, Plaintiff demands judgment against the Defendants consisting of direct and/or consequential damages in an amount in excess of $150,000,000 and such other, further direct and/or consequential damages as are known or may become known during discovery or at trial, plus equitable and/or injunctive relief, requiring Defendants to cease and desist all operations related to CBRE property management services, property sales, *inter alia*, and enjoining Defendants from operating or engaging in any conduct violates or would violate §401(2) and pursuant to the Postal Accountability Enhancement Act, plus statutory penalties, plus exemplary relief including treble and punitive damages, and any further relief deemed appropriate by the Postal Regulatory Commission.

COUNT III—VIOLATIONS OF 39 U.S.C. §404(d) & (e)

368. Plaintiff incorporates all preceding paragraphs, 1-367, as if set forth herein at length.

369. The evidence shows the Defendants, Postal Service, Pitney Bowes, and the USPS OIG acted in concert in the commission of unfair or deceptive acts or practices, violating §404(d) & (e). The Postal Service knowingly and intentionally violated the provisions of §404 (a)(2) by disclosing Foster's intellectual property to third parties or its "potential stakeholders" including Pitney Bowes. The USPS OIG, in their report entitled, "The Postal Service Role In the Digital Age Part 1: Facts and Trends", knowingly and intentionally plagiarized Foster's proprietary information, unlawfully disclosing intellectual property to third parties in violation of §404 (a)(2). When confronted by Foster for the plagiarism, the USPS OIG gave a deceptive response describing the plagiarism as "sharing findings". Thereafter, the USPS OIG furthered their plagiarism in three more reports of a four part series, a 2013 release of report entitled, "Virtual Post Office Boxes", and IG David Williams' Senate Testimony listing identical features of Foster's intellectual property. The USPS OIG acted in concert with the Postal Service in…unfair methods of competition, while the Postal Service committed violations of §404 (d), the USPS OIG committed violations of §404 (e).

370. Additionally, Section 404, relating to suits by and against the postal service, states, "the postal service —shall not be immune under any doctrine of sovereign immunity from suit in Federal court by any person for violation of Federal law …"

371. As a result of their wrongful and intentional misconduct, the Defendants have caused plaintiff to suffer damages as set forth herein and above, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money Plaintiff would have earned, together with such other unspecified damages allowable at law as may be ascertained through discovery and at trial.

WHEREFORE, Plaintiff demands judgment against the Defendants consisting of direct and/or consequential damages in an amount in excess of $1,000,000,000 and such other, further direct and/or consequential damages as are known or may become known during discovery or at trial, plus equitable and/or injunctive relief, requiring Defendants to cease and desist all operations of Volly.com and the USPS Business Customer Gateway, and enjoining Defendants from operating or engaging in any conduct violates or would violate Plaintiff's rights pursuant to US Trade Secret Act, pursuant to 42 U.S.C.§1983, et seq, and pursuant to the Postal Accountability Enhancement Act, plus statutory penalties, plus exemplary relief including treble and punitive damages, and any further relief deemed appropriate by the Postal Regulatory Commission.

<u>COUNT IV ECONOMIC-INDUSTRIAL ESPIONAGE</u>

372. Plaintiff incorporates all preceding paragraphs, 1-271, as if set forth herein at length.

373. In March or April 2011, USPS Stakeholder/Supplier Pitney Bowes, Incorporated announced the launching of Volly.com, a secure digital delivery service. Volly.com was a duplicate of many features of Foster's intellectual property. Volly.com customer base was the Business Mailing Customer with services pertaining to secure delivery of digital communications and money transfers. The launching of Volly.com was the next phase of the Defendants' conspiracy to steal Foster's intellectual property/trade secrets. Volly.com was launched in the name of Pitney Bowes outside the United States. The Defendants announcement of the launch and the actual launching of Volly.com outside the United States constitutes violations of 18 USC §1831 Economic Espionage, and §1832 Theft of Trade Secrets.

374. As a result of their wrongful and intentional misconduct, the Defendants have caused plaintiff to suffer damages as set forth herein and above, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money Plaintiff would have earned, together with such other unspecified damages allowable at law as may be ascertained through discovery and at trial.

WHEREFORE, Plaintiff demands judgment against the Defendants consisting of direct and/or consequential damages in an amount in excess of $1,000,000,000 and such other, further direct and/or consequential damages as are known or may become known during discovery or at trial, plus equitable and/or injunctive relief, requiring Defendants to cease and desist all operations of Volly.com and the USPS Business Customer Gateway, and enjoining Defendants from operating or engaging in any conduct violates or would violate Plaintiff's rights pursuant to US Trade Secret Act, pursuant to 42 U.S.C.§1983, et seq, and pursuant to the Postal Accountability Enhancement Act, plus statutory penalties, plus exemplary relief including treble and punitive damages, and any further relief deemed appropriate by the Postal Regulatory Commission.

COUNT V-- MISAPPROPRIATION OF TRADE SECRETS

375. Plaintiff incorporates all preceding paragraphs, 1-374, as if set forth herein at length.

376. Plaintiff provided to the Defendants and their representatives and agents, servants, and employees, trade secrets regarding namely, his concept, design and plan for the Virtual P.O. Box Initiative to be implemented and operated in a partnership with the USPS. The Defendants learned the intricate details of the Virtual P.O. Box Initiative, and then the Defendants terminated their relationship with Plaintiff and discarded him, only to move forward with the Virtual P.O. Box Initiative under another name, never even advising the Plaintiff of their use of his confidential, proprietary information. These Defendants then implemented and operated the new program, put it into effect, and profited on and through it, all to the exclusion and detriment of Plaintiff. The Defendants knew these trade secrets were confidential in nature and that they were not to wrongfully misappropriate these trade secrets from Plaintiff, only to use them to their own benefit and to his detriment.

377. As a result of their wrongful and intentional misconduct, Defendants have caused Plaintiff to suffer damages as set forth hereinabove, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money it would have earned, together with such other unspecified damages as may be allowable by law.

WHEREFORE, Plaintiff demands judgment against the Defendants, Pitney Bowes, Inc. and USPS, consisting of direct and/or consequential damages, in an amount in excess of $150,000,000 plus equitable and/or injunctive relief, plus exemplary relief including treble and punitive damages, attorney's fees and costs and any further relief deemed appropriate by the PRC, as previously described.

COUNT VI – 39 U.S.C. §404(d) UNFAIR OR DECEPTIVE ACTS OR PRACTICES

378. Plaintiff incorporates all preceding paragraphs, 1-377, as if set forth herein at length.

379. The Defendants solicited request for innovative ideas or proprietary information/intellectual property from the private sector. The Defendants thereafter violated the intellectual property rights of the person providing the proprietary information in violation of section 5 of the Federal Trade Commission Act to the extent that section 5 applies to unfair or deceptive acts or practices. The Defendants further their violations by employing deceptive devices of saturating public record with Plaintiff's proprietary information and describing the misconduct as "sharing findings", and using Plaintiff's intellectual property without Plaintiff's permission.

380. Defendants intentionally misrepresented to Plaintiff that they would keep as proprietary and confidential the ideas generated by plaintiff.

381. Plaintiff relied on the representations of the defendants that they would keep the aforesaid VPOBIP concepts proprietary and confidential.

382. It is believed and therefore averred that at all times while Defendants communicated with Plaintiff, defendants intended to exploit Plaintiff's proprietary information by utilizing the Virtual P.O. Box concepts amongst themselves or transmitting the concepts for use by presently unidentified third parties (referred to herein as John Does 1-10, to be identified during discovery), without the knowledge and/or consent of the plaintiff. The Defendants' misconduct constitutes act of unfair competition and violations of §404(d).

383. Additionally, Section 404, relating to suits by and against the Postal Service, states, "the Postal Service —shall not be immune under any doctrine of sovereign immunity from suit in Federal court by any person for violation of Federal law"… Therefore, the FTCA is not applicable in the instant case.

384. As a result of their wrongful and intentional misconduct, the Defendants have caused plaintiff to suffer damages as set forth herein and above, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money Plaintiff would have earned, together with such other unspecified damages allowable at law as may be ascertained through discovery and at trial.

WHEREFORE, Plaintiff demands judgment against the Defendants consisting of direct and/or consequential damages in an amount in excess of $150,000,000 and such other, further direct and/or consequential damages as are known or may become known during discovery or at trial, plus equitable and/or injunctive relief, plus statutory penalties, plus exemplary relief including treble and punitive damages, and any further relief deemed appropriate by the Postal Regulatory Commission.

COUNT VII -- MISREPRESENTATION/FRAUD

385. Plaintiff incorporates all preceding paragraphs, 1-384, as if set forth herein at length.

386. Defendants intentionally misrepresented to Plaintiff that they would keep as proprietary and confidential the ideas generated by plaintiff.

387. Plaintiff relied on the representations of the defendants that they would keep the aforesaid VPOBIP concepts proprietary and confidential.

388. It is believed and therefore averred that at all times while Defendants communicated with Plaintiff, defendants intended to exploit Plaintiff's proprietary information by utilizing the Virtual P.O. Box concepts amongst themselves or transmitting the concepts for use by presently unidentified third parties (referred to herein as John Does 1-10, to be identified during discovery), without the knowledge and/or consent of the plaintiff.

389. Additionally, Section 404, relating to suits by and against the postal service, states, “the postal service —shall not be immune under any doctrine of sovereign immunity from suit in Federal court by any person for violation of Federal law …”

390. As a result of their wrongful and intentional misconduct, the Defendants have caused plaintiff to suffer damages as set forth herein and above, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money Plaintiff would have earned, together with such other unspecified damages allowable at law as may be ascertained through discovery and at trial.

WHEREFORE, Plaintiff demands judgment against the Defendants consisting of direct and/or consequential damages in an amount in excess of $150,000,000 and such other, further direct and/or consequential damages as are known or may become known during discovery or at trial, plus equitable and/or injunctive relief, plus exemplary relief including treble and punitive damages, and any further relief deemed appropriate by the Postal Regulatory Commission.

COUNT VIII -- CONVERSION

391. Plaintiff incorporates all preceding paragraphs, 1-390, as if set forth herein at length.

392. Plaintiff’s Virtual P.O. Box System was the culmination of an idea which he created, designed, and developed, which plaintiff owned and maintained a proprietary interest in.

393. The Defendants, by and through their agents, servants, and employees, and through their actions in implementing and operating Volly.com and the Business Customer Gateway without Plaintiff's consent, nor even plaintiff's knowledge, thereby wrongfully appropriating plaintiff's idea and using it for their own benefit and use and profit, intentionally and without authority assumed and exercised control over Plaintiff's property, thus interfering and infringing upon his right of possession in derogation of plaintiffs' rights, thus perpetrating a wrongful conversion.

394. As a result of their wrongful and intentional misconduct, the Defendants have caused plaintiff to suffer damages as set forth herein and above, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money Plaintiff would have earned, together with such other unspecified damages allowable at law as may be ascertained through discovery and at trial.

WHEREFORE, Plaintiff demands judgment against the Defendants consisting of direct and/or consequential damages in an amount in excess of $150,000,000 and such other, further direct and/or consequential damages as are known or may become known during discovery or at trial, plus equitable and/or injunctive relief, plus exemplary relief including treble and punitive damages, and any further relief deemed appropriate by the Postal Regulatory Commission.

<u>COUNT IX -- UNJUST ENRICHMENT</u>

395. Plaintiff incorporates all preceding paragraphs, 1-394, as if set forth herein at length.

396. The Defendants' wrongful appropriation of Plaintiff's Virtual P. O. Box System has caused defendants to become enriched, at Plaintiff's expense, in that the Virtual P.O. Box System was materially and substantially taken away from plaintiff by the defendants, and the circumstances were/are such that equity and good conscience require the defendants to make restitution. The benefits of this Virtual P.O. Box System – now renamed, relabeled and rebranded as —Volly.com by the defendants – have been conferred upon the defendants.

397. As a result of their wrongful and intentional misconduct, the defendants have caused plaintiff to suffer damages as set forth hereinabove, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money it would have earned, together with such other unspecified damages as may be allowable by law.

WHEREFORE, Plaintiff demands judgment against the Defendants consisting of direct and/or consequential damages, plus equitable and/or injunctive relief, plus exemplary relief including treble and punitive damages, attorney's fees and costs and any further relief deemed appropriate by the Postal Regulatory Commission, as previously described.

COUNT X – VIOLATIONS OF §404(a)(3)

398. Plaintiff incorporates all preceding paragraphs, 1-397, as if set forth herein at length.

399. Between 2013 -- 2014, the Postal Service launched the USPS Business Customer Gateway, Customer Registration Identification (CRIDs), and Mailer Identification (MIDs). The USPS Business Customer Gateway, CRIDs, and MID's are duplicate features of Foster's intellectual property.

400. As a result of their wrongful and intentional misconduct, the Defendants have caused plaintiff to suffer damages as set forth herein and above, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money Plaintiff would have earned, together with such other unspecified damages allowable at law as may be ascertained through discovery and at trial.

WHEREFORE, Plaintiff demands judgment against the Defendants consisting of direct and/or consequential damages in an amount in excess of $1,000,000,000 and such other, further direct and/or consequential damages as are known or may become known during discovery or at trial, plus equitable and/or injunctive relief, requiring Defendants to cease and desist all operations of Volly.com and the USPS Business Customer Gateway, and enjoining Defendants from operating or engaging in any conduct violates or would violate Plaintiff's rights pursuant to US Trade Secret Act, pursuant to 42 U.S.C.§1983, et seq, and pursuant to the Postal Accountability Enhancement Act, plus statutory penalties, plus exemplary relief including treble and punitive damages, and any further relief deemed appropriate by the Postal Regulatory Commission.

<u>COUNT XI—VIOLATIONS OF ANTITRUST LAWS, COLLUSION BID RIGGING/ INSIDER TRADING MARKET DIVISION</u>

401. Plaintiff incorporates all preceding paragraphs, 1-300, as if set forth herein at length.

402. The evidence shows Pitney Bowes, Inc and the Postal Service have maintained a business relationship that spans for over 95 years. The following timeline of the Defendants' misconduct and questionable acts reveals the Defendants' ongoing conspiracy to privatize Postal operations, which include:

1) 1969; the establishment of the deceptive Citizen's Committee for Postal Reform, lobbyist group pushing for total Postal Reform to make the Postal Service a Government-owned corporation,

2) Throughout the history of the Defendants' relationship; Pitney Bowes, Inc., a federal contractor, exploiting their corporate status, making enumerable contributions to the campaigns of candidates of Federal offices to influence official acts benefitting their personal and business interests, violations of 52 U.S.C. §30122; 110.4(b), 115.2, 115.4, 114.5(b)(1), *inter alia*.

3) 2001; the establishment of the Mailing Industry Task Force, co-chaired by the USPS Deputy PMG and the CEO of Pitney Bowes, Inc, for the purpose of sharing innovative ideas (intellectual property) relating to the Mailing Industry,

4) 2005-2006; pushing for the PAEA and the provisions allowing the Defendants' to manufacture crisis for the Postal Service, thereby perpetuating the intentional sabotage, dismantling, and liquidation of the Postal Service's assets, through various means such as workshare discounts that are not in compliance,

5) 2007; the Postal Service unlawfully disclosed Plaintiff's intellectual property to third party Pitney Bowes, Inc., violation of §404(a)(2)

6) 2007; the Postal Service fraudulently concealed their interest in accruing the interest from monies deposited by Virtual P.O. Box Initiative customers and the interest of Pitney Bowes, Inc. in developing the software and collecting licensing fees, misrepresentation/fraud, fraudulent concealment,

7) 2007; misappropriation of Plaintiff's trade secrets, the Postal Service disregarding the provisions of Title IV Modern Service Standards, disregarding the USPS failing financial condition, thereby disregarding the Postal Service customers needs for secure digital delivery service,

8) 2009; HR Federal Workforce Oversight Committee Postal Hearing, where USPS Witnesses, including President of Strategic Planning and Transition Strategies, Robert Reisner, failed to present any viable initiatives, ideas, or revenue generators to repair the Postal Service failing financial condition. The USPS Witnesses did not present any similar initiative or idea to that of Plaintiff's Virtual P.O. Box Initiative. Robert Reisner and the House panel made a call to the private sector for innovative ideas to help the Postal Service. Foster gave House Federal Workforce Chairman Stephen Lynch a copy of the introduction to the Virtual P.O. Box Initiative,

9) 2009; Chairman Stephen Lynch reviewed and forwarded Foster's introduction to the Postal Service. The Postal Service, through Online Marketing Mgr. Joseph Adams, claimed to have similar ideas as the Virtual P.O. Box Initiative, (paragraphs 8 & 9 are conflicting statements posing violations of 18 USC §1001),

10) 2010; Postal Service made frivolous, noncompliant Exigent Request No. R2010-4 at 1, to the PRC. The Defendants intended for the noncompliant exigent request to be denied, which made them appear to be acting in the interest of the Postal Service. The noncompliant exigent request was constructed for dilatory purposes and allowed the Defendants to exasperate the Postal Service's losses and perpetuate their scheme to make the Postal Service appear insolvent.

11) 2011; OIG plagiarizing the Virtual P.O. Box Initiative and describing the plagiarism as "sharing findings", violations of §404(a)(2) & §404(d),

12) 2011; Pitney Bowes, Inc., a publically traded corporation, with the intent to defraud Plaintiff, announcing the launch of Volly.com, thereby selling securities based on material non-public information, in violations of §10(b) and 10b-5,

13) 2011; launch Volly.com in the foreign market in acts of theft of trade secrets, economic and industrial espionage, disregarding needs of the USPS, the Nation, and US citizens, violations of 18 USC §1831 & §1832,

14) 2011; the Postal Service awarded the property management services contract to CBRE, omitting the fair bidding process and giving the contract to a crony of Pitney Bowes, Inc., violations of antitrust laws,

15) 2013; the USPS OIG audits the CBRE contract and transactions relating to Postal Service property sales and leases. The OIG found numerous faults including unlawful collection of debts by CBRE extorted property owners into paying them commission, CBRE unlawfully sold historic properties, CBRE sold USPS properties drastically below market value, CBRE sold properties to their cronies, *inter alia*.

16) 2014; the USPS OIG found Postal Service Facilities officials should improve oversight to mitigate the inherent risks associated with the CBRE contract. In other words, the Postal Service has turned a blind eye to the misconduct of CBRE.

17) 2015; The OIG suggest the Postal Service terminate the CBRE contract and recomplete the current CBRE real estate management contract. The Postal Service believes CBRE has done nothing wrong and refuses to terminate the property management contract. The OIG referred cases related to Postal real estate transactions for criminal investigation.

403. In addition to revealing the Defendant's ongoing conspiracy to privatize Postal Operations through the harmful means of quid pro quo corruption, employee sabotage, dismantling, and liquidation of the Postal Service's assets, the timeline reveals the role CBRE plays in the Defendants' scheme. CBRE was awarded the USPS real estate contract by design, for the purpose of aiding the Defendants in the liquidating of the Postal Services' properties and monies.

404. The Defendants goal is for the Postal Service to incur losses that will; make it appear to be insolvent, and influence the US Government to privatize the Postal Service's upstream operations. With the Postal Service appearing to be insolvent, other corporations will be discouraged from bidding on the Postal Service's upstream operations contract. This will leave Defendant Pitney Bowes, Inc., who has the Nation's largest mail processing network, without competition in the bidding process and assured to win the contract.

405. The actions of the Defendants constitute antitrust violations of collusion, bid rigging, insider trading, market division, *inter alia*.

406. As a result of their wrongful and intentional misconduct, the Defendants have caused Plaintiff to suffer damages as set forth herein and above, including but not limited to loss of earnings, loss of income, loss of chance and opportunity, disgorgement of profits, lost profits, interest on the money Plaintiff would have earned, together with such other unspecified damages allowable at law as may be ascertained through discovery and at trial.

WHEREFORE, Plaintiff demands judgment against the Defendants consisting of direct and/or consequential damages in an amount in excess of $3,000,000,000 and such other, further direct and/or consequential damages as are known or may become known during discovery or at trial, plus equitable and/or injunctive relief, requiring Defendants to cease and desist all operations, and enjoining Defendants from operating or engaging in any conduct violates or would violate Plaintiff's or the Postal Service's rights pursuant to the Postal Accountability Enhancement Act, plus statutory penalties, plus exemplary relief including treble and punitive damages, and any further relief deemed appropriate by the Postal Regulatory Commission.

V. RELIEF REQUESTED

203. While Plaintiff's allegations in the instant case appear to spawn from violations of 39 USC §404(a)(2) & (3), the causes of action and the Defendants' misconduct greatly exceeds the provisions and prohibitions of a Non-Disclosure/Non-Compete Agreement. After further review of the misconduct of the Defendants, the causes of action in the instant case are RICO violations, with acts of conspiracy, misrepresentation/fraud, collusion, insider trading, bid rigging, industrial and economic espionage, theft of trade secrets, employee sabotage, FEC and SEC violations, making false statements and entries to the Legislative and Executive Branches of the US Government, *inter alia*. Plaintiff's RICO, conspiracy, and economic espionage claims, *inter alia*, predominate Plaintiff's §404(a) claims. The PRC has jurisdiction on complaints against the Postal Service for allegations of violations §404(a) and may have supplemental jurisdiction over all other claims.

204. In light of the foregoing, Foster, Plaintiff Pro Se respectfully request that the Commission: (1) promptly hold hearings to determine if the complaint raises material issues of fact or law, thereafter, (2) investigate the allegations and provide transparency and accountability of the Postal Service's operations in reference to the allegations, (3) in addition to request 1 & 2, either, adjudicate the entire complaint having supplemental jurisdiction over all other claims, or, (4) adjudicate the claims of which the PRC has jurisdiction and transfer the predominate claims to the proper venue and/or agency, or, (5) transfer the complaint in its entirety to the proper venue and/or agency with a determination regarding Plaintiff's allegations and Standing to Sue. Plaintiff's choice of venue is the Federal District Courts, and believes the predominate claims should be transferred to the District Court and several allegations should be referred to the USPS OIG and the US Department of Justice for civil and criminal investigations.

Respectfully submitted,

/s/

Frederick Foster
5049 Lancaster Avenue
Philadelphia, PA 19131
Plaintiff, Pro Se,

June 16, 2015

EXHIBIT "A"

Print Close

From: **Mecone, James M - Washington, DC** (James.M.Mecone@usps.gov)
Sent: Wed 11/12/14 11:45 AM
To: fdfosterllc@hotmail.com (fdfosterllc@hotmail.com)
1 attachment
F D Foster DEMAND PROPOSAL 3.pdf (84.7 KB)

The Postal Service does not agree to the demands described in the attachment.

James M. Mecone
US Postal Service Law Department
475 L'Enfant Plaza, SW
Washington, DC 20260-1137
+ 1 202 268 6525
Cell + 1 202 200 2026
Fax + 1 202 268 6187
James.M.Mecone@usps.gov

EXHIBIT “B”

F. D. FOSTER® LLC

5049 Lancaster Ave. Philadelphia, PA 19131 (215) 668-1332 E-MAIL: genevicci@hotmail.com

"VIRTUAL P.O. BOX®"

"FOR REAL PEOPLE AND REAL BUSINESS" …

Dear Mrs Kingsley and Associates,

Thank you for taking the time and considering the VIRTUAL P.O. BOX® Project as an addition to your current services.

Due to modern technology, most mailing is done via e-mail. Many Internet users prefer e-mail for sending and receiving private mail or even invoices and bills. It's simply a faster way of mailing and the service is normally free.

As you may know, the users often sign up with the services of Yahoo, HotMail, Gmail or their own ISP to acquire an e-mail address. Other users setup their e-mail addresses through their domains or WSP. All these service providers have one thing in common. <u>They cannot verify the identity of the person signing up.</u> Because of this inability, individuals with fraudulent intent can easily set up fake businesses on the Internet. With sixty per cent (60 %) of the world's reported internet fraud perpetrators operating from the United States, foreign consumers are reluctant to make purchases from our businesses. Internationally, the United States is often viewed as a high risk area when it comes to Internet transactions. Basically, all businesses in the United States, whether large or small, legitimate or fraudulent, do <u>some</u> interaction via the Internet.

According to the annual iC3 Report (by the NW3C and the FBI) from December 2006, fraudulent activity is an increasing concern for the business and private interactions done via the Internet. The problems arising are business related and are non-delivery of goods, identity theft, fraudulent invoices, non-paying customers, as well as predators and online stalking on the private level. The iC3 Report attempts to show how consumers and businesses can protect themselves against these activities, but does not offer concrete solutions to prevent fraud.

The VIRTUAL P.O. BOX®, governed by the United States Postal Service is the ultimate solution… In the environment of the USPS® VIRTUAL P.O. BOX®, fraudulent activity is prohibited... "The USPS® VIRTUAL P.O. BOX®…FOR REAL PEOPLE AND REAL BUSINESS"…

We at **F. D. FOSTER®** LLC designed the VIRTUAL P.O. BOX® specifically for the USPS® for several reasons:

1) The USPS® needs a product that will advance them into the world of Internet Business and will in turn offer the opportunity for new sources of revenue.

2) The USPS® has the facilities to verify a person's and/or businesses identity. The verification process for the VIRTUAL P.O. BOX® can be done in the same manner as Passports and real PO Boxes, which are currently limited to availability in our Post Offices. (The VIRTUAL P.O. BOX® has no limit).

3) The level of integrity demonstrated by the USPS® throughout history can not be matched in all the world.

4) The protocols by which the USPS® is governed will immediately and effectively deter potential fraud.

The VIRTUAL P.O. BOX® will be beneficial to all businesses, especially new businesses, since the logo will serve as a certification while they build a reputation. Instead of just using a PO Box or a physical address in the contact section of their website, they can now offer the verification of their business by showing the link, logo, and email address of their USPS® VIRTUAL P.O. BOX®. The consumer will now know right away, that this business or the business owner is located in the United States and has been verified through the USPS®.

Companies like eBay, MySpace, Amazon and others can ease their process of identifying users, if they use the USPS® VIRTUAL P.O. BOX® and make the USPS® VIRTUAL P.O. BOX® a requirement for merchants. This again builds trust towards the consumer and protects businesses as well.

Even the average internet user will clearly see the advantages offered by the USPS® VIRTUAL P.O. BOX®. The USPS® VIRTUAL P.O. BOX® has the ability to prevent fraudulent activities and predators from joining free spaces like MySpace and eBay, because now they can be tracked down.

Let us say, the USPS® makes an arrangement with MySpace, the Internet's largest, free provider for virtual friendships. If a new member signs up with the e-mail address of their USPS® VIRTUAL P.O. BOX®, this member can automatically receive a symbol of identity verification. Younger members, as well as adults, can now see that this person is not an imaginary friend anymore, but a real life person. Should this member be a predator or online stalker, the authorities have the chance of tracking the person down. This will benefit Myspace, because their reputation in the media world is not 'all good'.

Besides the benefits to the user of your USPS® VIRTUAL P.O. BOX®, the benefits for your Institution should also be pointed out. The USPS® looses revenue with the service of free e-mail address providers. Customers keep on sending more and more of their mail through e-mail.

When offering the USPS® VIRTUAL P.O. BOX® as a low fee service, the revenues of the USPS® can dramatically increase. Private and commercial Internet users will want the added security offered by the USPS® VIRTUAL P.O. BOX® to protect themselves, their families and their businesses.

The products and services currently offered by the United States Postal Service, such as Postage Stamps and Parcel Service can be packaged to encourage users to sign up for the USPS® VIRTUAL P.O. BOX®. In turn, as the USPS® VIRTUAL P.O. BOX® service provider, the United States Postal Service will be the initial parcel delivery service provider to be considered by the subscribers.

Since the identity of the USPS® VIRTUAL P.O. BOX® users have been verified, the United Postal Service will be able to offer these users more secure and easier solutions to services like address change, mail forwarding or holding of mail during the vacation time.

With the USPS® VIRTUAL P.O. BOX®, the United States Postal Service can now also use the mass mailing service for online businesses. Instead of sending advertisements out by normal mail, which is often unaffordable for small businesses, along with the risk of being viewed as a scammer when sending e-mail advertisements, online businesses will have the ability to send their advertisement through the online services of the USPS® VIRTUAL P.O. BOX®. The identity of the recipient in this case will not be given to the advertiser allowing the recipient to enjoy full privacy along with the confidence that the e-mail is from a legitimate source.

In summary, the USPS® VIRTUAL P.O. BOX® will become a secure mailing center for both real and online businesses, as well as private users. It will be an effective way to decrease the online crime rate through the verification of the USPS® VIRTUAL P.O. BOX® users.

This new service will not only bring in revenues to the USPS® through the income generated by providing this service, but will also bring in additional income when helping the United States Postal Service to better compete with all other mail and parcel carriers. The USPS® VIRTUAL P.O. BOX® will give the United States Postal Service the chance to reach a lost audience in the private and commercial sectors.

I hope I was able to give you a clear picture of the power and positive effect the USPS® VIRTUAL P.O. BOX® can have for the United States Postal Service and Internet users.

I would be delighted to meet with you in person, to discuss the full potential, detailed structure and benefits of the USPS® VIRTUAL P.O. BOX®… "FOR REAL PEOPLE and REAL BUSINESS"…

Thanking You In Advance,

Frederick Foster (CEO of **F. D. FOSTER**® LLC)

EXHIBIT “C”

Innovations@USPS

Opportunity Questions
Concept Questions

1. Please describe the business concept you are proposing and why the Postal Service is uniquely positioned to implement it…

The F. D. FOSTER® VIRTUAL P.O. BOX® was designed for "REAL PEOPLE AND REAL BUSINESS"®, separating them from potentially fraudulent people and businesses currently lurking on the Internet. All subscribers must complete a 'real world' verification process. After which the subscriber is granted limited use of 'logo/link' that tells the visitor the person and/or business has completed the real world verification process. The F. D. FOSTER® VIRTUAL P.O. BOX® will be a certificate/logo/link and/or Internet environment where fraud is prohibited and all applicable laws are enforced. 'Real People and Real Businesses' will urgently subscribe to this service/product for the validation and separation it offers… Ultimately, the F. D. FOSTER® VIRTUAL P.O. BOX® will deter potential Internet fraud. The USPS® is considered the ideal provider of this service/product for several reasons. With its numerous locations across the U.S., it can easily facilitate the verification process and collect the fees for the subscriptions. The USPS® has a historical reputation for integrity which will encourage Internet users to subscribe and give visitors an additional sense of security. The laws and protocols by which it is governed, the USPS® is respected around the world and in turn will deter potential fraud.

2. The concept you are proposing should be applicable to one of the …

Online service…

3. What problem does your business concept or innovation attempt to solve? What opportunity does it create?

The United States is responsible for over 60% of the world's reported Internet Crime. The F. D. FOSTER® VIRTUAL P.O. BOX® is the ultimate solution to this problem. Because of its verification process, fraudulent activity will be deterred and eventually a thing of the past for America. The F. D. FOSTER® VIRTUAL P.O. BOX® creates the opportunity for the subscriber to show a validation symbol to potential visitors, creating a safer selection process for the potential customers.

4. Does the concept you are proposing improve efficiency, enhance current USPS products or services, generate revenue, reduce costs, or is it an innovative new product or service?

Yes, the F. D. FOSTER® VIRTUAL P.O. BOX® is an innovative new service/product that will generate huge revenues. The demand for this service/product has long been created.

5. In basic terms, how would your business concept accomplish the goals…

The F. D. FOSTER® VIRTUAL P.O. BOX® set a new standard for Internet users, people and businesses. After a few million dollars invested in promoting the F. D. FOSTER® VIRTUAL P.O. BOX®, at least forty million yearly subscriptions will be sold at one hundred dollars a year, this will gross four billion dollars. The USPS® will be the initial candidate for the shipping needs of our subscribers, generating more revenues. Not to mention, the 'real world verification process' will effectively reduce and deter potential Internet fraud and in turn, attract millions of new subscribers. Internet companies like GOOGLE®, in their short lives, are now worth in excess of thirty nine billion.

6. Describe the Postal Service's role, and your company's role…

With all issues being negotiable, it is our expectation that the USPS® will perform basically the entire operation, providing the locations and employees for the 'real world verification process', the collection of fees, issuing of the now USPS® VIRTUAL P.O. BOX® and the governing of the subscribers. F. D. FOSTER® will consult the USPS® in all areas including marketing and will lease the patent to the USPS®.

Market Place Questions

7. What are the specific benefits to prospective customers? How will the needs be satisfied?

The benefits can be simply expressed in a short sentence… "The USPS® VIRTUAL P.O. BOX®, for Real People and Real Business"®… Since almost everyone does some interaction with the Internet, this service/product will separate real people and real businesses from the potentially fraudulent, offering enormous benefits and security to the subscribers and visitors, persons and businesses. Our customer's needs will be satisfied by having a certification symbol that separates them from the potentially fraudulent attracting more potential visitors.

8. Describe the market, its size, its future…

The market place for this service/product is the Internet, and its size and future is infinite. This market is world wide and rapidly growing at an alarming rate.

9. What are the cost of retaining customers in this market?...

With ten million dollars, an effective marketing campaign for television and radio will run, reaching hundreds of millions of potential customers.

10. What is the current competition …

None. None have the 'real world verification process' or can offer the standard that is associated with the USPS®.

11. What are the competition's strengths and weaknesses…

None can compare… They don't have the capability to establish the 'real world verification process'.

12. What are the potential threats to the success…

None other than legislation that may prevent the USPS® from providing this service/product. At which case, the legislation need be adjusted.

Business Model & Financial Questions

13. What business model components do you recommend?

The model components we primarily recommend is the verification process used when issuing passports and P.O. Boxes by the USPS®.

14. Estimate the 1st year…subsequent estimates…

Because of the great demand for this service/product, and the vast market, it will generate billions in the first year.

15. Cost savings…

Over time, it will save the world's consumers and businesses billions of dollars that are lost to the various forms of Internet fraud.

16. What expenses for the USPS…

USPS® will advance all recoupable cost, and pay all fees including, but not limited to research and development, marketing, and the cost of the lease of patent.

17. Define the key financial assumptions…

With all issues negotiable, considering the potential revenues that the USPS® VIRTUAL P.O. BOX® will generate for the USPS®, at this time, F. D. FOSTER®LLC wishes to assume no financial responsibilities.

18. What is your investment …

I am the sole inventor and patent owner for the The F. D. FOSTER® VIRTUAL P.O. BOX®.

19. What performance metrics would you use to measure this idea?

GOOGLE is worth thirty nine billion dollars…

Final Questions

20. Intellectual Property List patents

Provisional express # EB 158984495 US

21. List individuals with whom you have developed this product…

N/A

EXHIBIT “D”

Innovations@USPS

From: **Innovations** (innovations@usps.gov) You moved this message to its current location.
Sent: Thu 5/31/07 9:26 AM
To: genevicci@hotmail.com

Mr. Foster,

I am moving the concept through a number of internal stakeholders. I will be in touch.

Thomas Cinelli, Acting Manager
Strategic Business Initiatives

EXHIBIT “E”

Your Call

From: **Cinelli, Thomas J - Washington, DC** (thomas.j.cinelli@usps.gov) You moved this message to its current location.
Sent: Mon 6/11/07 3:58 PM
To: genevicci@hotmail.com

Mr. Foster,

I received your message. I will be out of the office tomorrow. I plan to review your submission the latter part of this week and will be in touch after I have received responses from potential stakeholders.

Sincerely,

Tom Cinelli, Acting Manager
Strategic Business Initiatives

EXHIBIT “F”

Danziger Shapiro & Leavitt, P.C.
150 S. Independence Mall West
Suite 1050
Philadelphia, PA 19106
(215) 545-4830

Bill To:
Frederick Foster
5049 Lancaster Avenue
Philadelphia, PA 19131

Date: 7/31/2007

Regarding: **IPSP, LLC**
Invoice No: 10172

Services Rendered

Date	Staff	Description	Hours	Charges
7/03/2007	HAS	Phone call from client to discuss pilot system and issues with technical business plan writers	0.20	$45.00
7/12/2007	HAS	Phone call from client and conference call with Tom Cinella at the USPS regarding requirements for submission; discussion of proposal with client to flush out missing statistical and implementation information	0.90	$202.50

	Total Fees	$247.50
	Previous Balance	**$0.00**
7/31/2007	Apply Funds to AR	$-69.60
	Total Payments and Credits	**$-69.60**
	Balance Due	**$177.90**
	Previous Balance of Escrow Acct	**$69.60**
7/31/2007	**Apply Escrow Funds to AR**	**$-69.60**
	New Balance of Escrow Acct	**$0.00**

EXHIBIT “G”

F. D. Foster, LLC. VIRTUAL P.O. BOX/INTERNET PASSPORT SYSTEM

From: **Adams, Joseph K - Washington, DC** (Joseph.K.Adams2@usps.gov)
Sent: Thu 12/17/09 4:50 PM
To: fdfosterllc@hotmail.com (fdfosterllc@hotmail.com)

Dear Mr. Foster,
Your suggestion for a virtual Post Office Box/Internet Passport System was forward to the U.S. Postal Service by House Subcommittee on Federal Workforce, Postal Service and the District of Columbia Chairman Steven F. Lynchfor review and consideration. I have read the documents you sent. I believe that your insights into the fraud and security issues faced by online and other parties are indeed important. The ideas that you outline are interesting to the USPS. However, there has been work done in the past to explore substantially similar ideas, and while I am not at liberty to disclose specifics of any work that may be underway currently, it is possible that similar ideas may already be under evaluation.

Some items that you may or may not know include technology of the USPS called "ePostmark" which verifies the sender and recipient of email and attaches an indicator to the email itself (ePostmark) which indicates that the sender was verified by the USPS. Separately it is known that authentication services could build upon the current Passport service that USPS offers, which authenticates individuals on behalf of the State Dept. Advanced technology, available on the market currently, could possibly be used. There are additional ideas that you point out which may have some merit, but are not completely new to the USPS. As ideas move forward into business planning, regulatory approvals become additional significant considerations since the USPS does not have complete product freedom.

In sum, I thank you for sending these ideas and while they may have aspects worthy of consideration, we are not in a position at this time to work with you directly to develop them into business plans. The work that may be currently underway fully occupies our capacity, and presents the USPS with significant growth opportunities. I am looking forward to some of these moving ahead in the future for the good of the USPS and the citizens of the USA.

Best regards,
Joe Adams

Joseph K. Adams
GM, Online and Marketing Services
United States Postal Service
475 L'enfant Plaza, SW
Washington, DC 20260
Joseph.K.Adams2@usps.gov

EXHIBIT “H”

Response to Joseph Adams, General Mgr. USPSOnline Marketing

general genevicci 7:50 PM
To fdfosterllc@hotmail.com

From: fdfosterllc@hotmail.com
To: joseph.k.adams2@usps.gov
Subject: FW: F. D. Foster, LLC. VIRTUAL P.O. BOX/INTERNET PASSPORT SYSTEM
Date: Mon, 21 Dec 2009 13:54:20 -0500

>
> Mr. Adams:
>
> Greetings!
>
> You indicate first receiving information about the Virtual Post Office Box/Internet Passport recently from House Oversight Committee Chairman Stephen Lynch. Although we sent that information to Representative Lynch in November, 2009, after he chaired a hearing on improving the poor financial condition of the USPS, you should be advised that our information was actually first proposed to the USPS in May 2007, through the late Thomas Cinelli, Manager of Strategic Planning under V.P. Linda Kingsley. Therefore, your evaluation of whether our information is similar to existing initiatives or was previously obtained or obtainable should be measured from May 2007 instead of the date you received our information from Representative Lynch.
>
> You should also be advised that the reason we sent the information to Chairman Lynch in the first place was the revealing testimony offered at the hearing by your senior USPS officials, including Chairman of the Postal Regulatory Commission, Ruth Goldway, USPS President of Mailing and Shipping Services, Robert F. Bernstock, and the Acting Comptroller General of the United States and head of the GAO, Gene L. Dodaro. Chairman Lynch and other committee members questioned these senior officials about strategies for restructuring the severely faltering USPS business model, and their responses revealed that the officials were mostly if not totally unaware of the many opportunities for additional revenues that would be generated by implementing our ideas.
>
> To the extent that any postal service presently being offered is based in whole or in part upon any of our previously proposed ideas, I would direct your attention to Title IV of the Postal Accountability and Enhancement Act, relating to unfair competition, particularly Section 403 which clearly sets forth that "the Postal Service may not … obtain information from a person that provides (or seeks to provide) any product, and then offer any postal service that uses or is based in whole or in part on such information, without the consent of the person providing that information." Additionally, Section 404, relating to suits by and against the postal service, states the postal service "shall not be immune under any doctrine of sovereign immunity from suit in Federal court by any person for violation of Federal law …"
>
> In early 2007, the aforementioned Mr. Cinelli was in the process of working with us toward creating a pilot to the Virtual P.O. Box/Internet Passport System. However, after a long wait for responses from the USPS Legal Department and the USPS Technical Department, and the USPS Marketing Department expressing a lack of revenue, we then re-submitted our proposal wherein F.D. Foster, LLC would provide the technical and marketing services. This adjustment obviously lowered the USPS's market share. At that time, the USPS Legal Department responded with referral to the USPS Un-Solicited Proposal Program and the Supplier Registration. As a result of the referral, we then continued discussions with governing agencies and have registered as a supplier. Our ideas were proposed to the USPS years ago.
>
> With respect to your suggestion that the "ePostmark" is similar to our proposals, it does indeed involve one of the many concepts of our proposed Virtual P.O. Box/Internet Passport. However, our proposal encompasses a wide variety of ways of generating revenue not offered with the ePostmark. Therefore, the Virtual P.O. Box/Internet Passport should remain under consideration as a financial solution for the USPS, regardless of the date the ePostmark was first proposed.
>
> The ePostmark in its present form appears limited in its intended use, its application, verification process, and the intended market. The Virtual P.O. Box/Internet Passport, however, is a compilation of numerous technologies that create a trusted, safe and secured 'Virtual Environment' and offers an array of services. As part of the planning process for the pilot of the Virtual P.O. Box/Internet Passport, it was disclosed by Postal Officials that the USPS does not 'authenticate' individuals for Passports, but facilitates and collects the materials that accompany the individuals' applications and forwards the package to the State Department for authentication and approval. The USPS does not approve or issue Passports. However, the USPS existing credentialing services would facilitate the implementation of our proposed system.
>
> Our intent is and has always been to generate billions of dollars of revenue for the USPS by implementing our proposed system and offering a vast array of additional services over the internet. The Virtual P.O. Box/Internet Passport is a viable solution to the financial problems of the USPS which would provide needed services to the world's Internet Users.
>
> In conclusion, prior to presenting our proposal to the USPS and as a prerequisite to entering discussion process, F.D. Foster filed and presented patent info and was instructed to review the House of Representatives Postal Accountability and Enhancement Act, 12/8/2006. As a result, while you may be evaluating similar ideas, it is our hope that you confer with us, as there may be patent issues. It is our only intent to repair the financial condition of the USPS by helping it become a major player in internet communications and transactions while offering protection for the world's Internet users through providing real world verification and authentication of individuals and organizations subscribing to the service.
>
> Despite your response, we certainly intend to continue pursuing the implementation of our proposal with the support of various postal officials, including your colleagues and leaders. We hope you will reconsider and offer your support as well after you re-evaluate the materials forwarded to you by Rep. Lynch.
>
> Please feel free to contact us as we are in continued discussion with authorities and completing the development of the Virtual P.O. Box/Internet Passport.

Thank You,

EXHIBIT “I”

The Postal Service Role in the Digital Age
Part 1: Facts and Trends

February 24, 2011

Prepared by **U.S. Postal Service Office of Inspector General**
Risk Analysis Research Center
Report Number: RARC-WP-11-002

The Role of the Postal Service in the Digital Age
Part 1: Facts and Trends

Executive Summary

The Internet and the digital economy are fundamentally changing the worlds of communications, transportation, and commerce. Since the dot-com boom and bust of the early 2000s, the digital economy has continued to grow at a staggering rate, as both consumers and businesses adopt electronic processes across multiple domains. New digital technologies have been "disruptive innovations"[1] for traditional businesses and their business models. These disruptions in combination with the great recession of 2008 to 2009 have had a significant impact on postal organizations all over the world, resulting in a steep decline in the volumes of personal, business, and advertising mail. The diversion to digital channels is real and accelerating. As one leading new media expert proclaimed, "If it can go digital, it will."[2]

By 2020, 40 percent of the U.S. population will be digital natives,[3] born into new technologies. Digital natives' behaviors are ingrained in electronic alternatives with little or no desire to deal with hard copies. This group chooses online banking over checks; Evites over invitation letters; text messages or Twitter over e-mail; and e-books over physical books. As younger digital natives begin to enter the workforce, their behaviors will have an even more fundamental impact on how businesses leverage technology.

In this paper, we present our research of the most prominent societal, behavioral, and technological tendencies affecting the postal ecosystem, coupled with their associated commerce, communication, and media trends.

Key Trends

1. *There has been a progressive shift in communications moving from the physical to the digital. With every new technology, the speed and scope of communications have increased.*

2. *Businesses and governments are looking to move not only communications, but also transactions, to the digital world.*

3. *The digitization of bill presentment and payments (to varying degrees of adoption) is becoming mainstream as more households, including seniors, and people of varying income levels, are adopting the trend.*

[1] Christensen, C. "The Innovator's Dilemma," *Harvard Business Press*. 1997.
[2] Jarvis, J. *What Would Google Do?*, Collins Business. 2009.
[3] Booz and Company, "The Rise of Generation C – Implications for the World of 2020." January 2010.

4. *Control is shifting from the sender to the receiver, giving them greater choice in what, when, and how they receive communications.*

5. *The Internet has evolved from mass broadcast media to personalized conversations, hastened by the growth of social media sites.*

6. *Traditional players in print media (magazines and newspapers) have not disappeared, but are rapidly shifting their focus to online content.*

7. *Although traditional media still receive a majority of advertising expenditures, online and mobile advertising continue to grab market share.*

8. *Explosive growth of mobile devices increases consumption of content "on the go" and provides marketers the ability to get their content directly into the hands of individuals wherever they are.*

9. *New marketing tools, combining data of online activities with other demographic information and offline activity, allow advertisers to offer more targeted, personalized marketing communications to potential customers with an easy way for them to respond.*

10. *E-commerce is growing rapidly but has not reached its full potential. Participants are still working to improve trust and enhance associated logistics, return services, payment, and security.*

11. *Mobile commerce is positioned to grow significantly in the U.S. market as a tool for marketing, retail, finance, and payments.*

12. *Digital technologies have facilitated global commerce, allowing businesses to market and together with parcel delivery services, fulfill orders across borders.*

Shortcomings of the Ongoing Digital Revolution

New ways of doing business are rapidly taking shape, as the digital revolution continues to rage. There are still some fundamental gaps restricting the pervasive advancement of the digital economy, which has not settled into a state of equilibrium. These gaps include:

- *The Internet and all of its functionality is not available to <u>all</u> citizens to reap its economic benefits. There is a lengthening tail of digital refugees, which will only increase as the digital revolution progresses;*

- *There is a potential threat to the principle of "network neutrality," nondiscrimination in access to communications networks;*

- *There is still a lack of an adequate level of privacy, confidentiality, dependability and security in digital communications and transactions as desired by citizens, with the potential of involuntary profiling of consumers;*

- *The digital infrastructure has limitations in connectivity and bandwidth, provided by companies that could go out of business at any time;*
- *There are inadequate personal information management tools to effectively deal with the increasing volume of electronic communications and applications;*
- *There is still insufficient availability of affordable digital currency and secure and convenient financial tools to transact online; and*
- *There are limits of choice, even withdrawal of the physical option as companies push consumers into digital-only communications.*

Key Postal Impacts

The Postal Service has maintained its position in physical communications due to its reach and monopoly access; however, new competitors are bypassing this advantage, changing the “postal ecosystem.”[4] No longer do hard copy providers solely drive this ecosystem. Disruptive digital companies like Google are suddenly everywhere, changing business models for advertising (Google Adwords), communications (Gmail Priority), and publications (Google Books). With the enhanced targeting capabilities of digital technologies, marketers are shifting towards behavioral and location-based advertising that enables a more direct linkage between awareness and response. Some of the main types of service providers in the digital economy today — platforms, Internet intermediaries, search networks, digital data providers, application providers such as social media, and mobile technology providers — look to maintain or grow their position as the digital economy evolves.

But the Postal Service can continue to play a significant role. Some of the gaps cited above divide rather than bind the nation together. Filling those gaps can provide some real opportunities. Over the past 236 years, the Postal Service has provided the secure, universally accessible platform for physical commerce and communications. The Postal Service can extend this intermediary trusted role to the digital realm. It could establish an enabling platform to bridge the digital divide and allow citizens to traverse from the physical to the digital, if they choose or are required to, in this new digital economy.

This role may take on many different forms, but by working with leading Web service providers, the Postal Service has the opportunity to shape and enforce industry standards that fill identified gaps in the digital marketplace. Given the rapid cycles taking place in the digital economy, the window of time for action is limited. The Postal Service must establish a pivotal role for itself in this new emerging world to ensure its future relevance.

[4] Postal Ecosystem is the term used for the markets, applications, and processes as well as sending and receiving customers, partners, and vendors that have traditionally involved the Postal Service in some way.

About This Project

Given the impact of a world going digital and the associated decline in mail volumes, the OIG has undertaken this project to understand the potential impact of electronic diversion on communications, commerce, and the Postal Service, and to identify future opportunities arising from these disruptive technologies.

This research provides critical background information for postal stakeholders to envision what the future in 2020 may look like, to understand the relevance of today's postal products and mandates, and to identify the market gaps that need to be filled in order to satisfy society's future needs. The white paper provides a description of the radical and fast changes affecting communications and commerce in the digital age. It provides facts and trends and discusses the impacts of the digital economy on the postal ecosystem. However, this paper does not prescribe a strategy for the Postal Service. This will be the focus of follow up work.

EXHIBIT “J”

VPOBIP vs VOLLY.COM

The Following Shows Volly.com Use of Virtual P.O. Box Trade Secrets

Virtual P.O. Box/Internet Passport:

connects physical and electronic mailing addresses.

"you can connect with your customers both digitally and physically"

Volly.com:

connects physical and electronic mailing addresses.

"you can connect with your customers both digitally and physically"

Virtual P.O. Box:

secure digital delivery service, electronic or physical mail.

" you can connect with your customers both digitally and physically".

Volly.com:

secure digital delivery service, electronic or physical mail.

" you can connect with your customers both digitally and physically".

Virtual P.O. Box:

secure money transfers/payments.

"For consumers, the Virtual P.O. Box service consolidates bills, statements, coupons, catalogs and other direct marketing through a secure, single log-in—using an Internet browser, smart phone or iPad, so they can manage and archive documents, **make payments** and respond to promotional offers more conveniently".

Volly.com:

secure money transfers/payments

*"For consumers, the Volly service consolidates bills, statements, coupons, catalogs and other direct marketing through a secure, single log-in—using an Internet browser, smart phone or iPad, so they can manage and archive documents, **make payments** and respond to promotional offers more conveniently".*

Virtual P.O. Box:

coupons, banners, promotional offers, advertising.

"For consumers, the Virtual P.O. Box service consolidates bills, statements, **coupons, catalogs and other direct marketing through a secure, single log-in**—using an Internet browser, smart phone or iPad, so they can Manage and archive documents, make payments and **respond to promotional offers** more conveniently.
For high-volume mailers, this pioneering digital delivery service provides substantial cost savings while building stronger customer relationships".

Volly.com:

coupons, catalogs, promotional offers, forms of advertisement.

*"For consumers, the Volly service consolidates bills, statements, **coupons, catalogs and other direct marketing through a secure, single log-in**—using an Internet browser, smart phone or iPad, so they can manage and archive documents, make payments and **respond to promotional offers** more conveniently.*
For high-volume mailers, this pioneering digital delivery service provides substantial cost savings while building stronger customer relationships".

Virtual P.O. Box:

users, businesses and individuals are verified creating secure environment.

Volly.com:

users, businesses and individuals are verified creating secure environment.

EXHIBIT “K”

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

FREDERICK D. FOSTER, Plaintiff, v. PITNEY BOWES CORPORATION, UNITED STATES POSTAL SERVICE, and JOHN DOES 1-10. Defendants.	CIVIL ACTION No. 11-7303

ORDER

AND NOW, this day of , 2012, upon consideration of the Motion of Defendant United States Postal Service to Dismiss, and the Court having considered any opposition thereto, it is hereby ORDERED that the motion is GRANTED. All claims in plaintiff's complaint alleged against defendant United States Postal Service are hereby dismissed with prejudice.

BY THE COURT:

HONORABLE JOEL H. SLOMSKY
Judge, United States District Court

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

FREDERICK D. FOSTER, Plaintiff, v. PITNEY BOWES CORPORATION, UNITED STATES POSTAL SERVICE, and JOHN DOES 1-10. Defendants.	CIVIL ACTION No. 11-7303

MOTION OF DEFENDANT UNITED STATES POSTAL SERVICE TO DISMISS

The United States Postal Service (the "USPS"), pursuant to Rules 12(b)(1) and 12(b)(6) of the Federal Rules of Civil Procedure, hereby moves the Court for an order dismissing all claims against the USPS alleged in the complaint filed by plaintiff, Frederick D. Foster, for lack of subject matter jurisdiction and for failure to state a claim upon which relief can be granted and, in support hereof, the USPS incorporates herein the attached Memorandum of Law and Exhibits A and B thereto.

WHEREFORE, the USPS respectfully requests that the Court grant its motion and enter an order in the form proposed, dismissing plaintiff's complaint with prejudice to the extent it alleges claims against the USPS.

ZANE DAVID MEMEGER
United States Attorney

Joan K. Garner for
MARGARET L. HUTCHINSON
Assistant United States Attorney
Chief, Civil Division

Annetta Foster Givhan
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Appellate and Commercial Litigation
475 L'Enfant Plaza, SW
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(202) 268-2069

Attorneys for Defendant
United States Postal Service

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

FREDERICK D. FOSTER, Plaintiff, v. PITNEY BOWES CORPORATION, UNITED STATES POSTAL SERVICE, and JOHN DOES 1-10. Defendants.	)	CIVIL ACTION No. 11-7303

MEMORANDUM OF LAW IN SUPPORT OF
MOTION OF DEFENDANT UNITED STATES POSTAL SERVICE TO DISMISS

Defendant United States Postal Service (the "USPS" or the "Postal Service") has moved the Court pursuant to Rules 12(b)(1) and (6) of the Federal Rules of Civil Procedure for an order dismissing all claims against the USPS in the complaint of plaintiff Frederick D. Foster for lack of subject matter jurisdiction and for failure to state a claim upon which relief may be granted. In support of this motion, the USPS submits this memorandum of law and Exhibits A and B hereto.

I. Background as alleged in the complaint[1]

Plaintiff Foster alleges as follows: Plaintiff created a "Virtual Post Office Box/Internet Passport, powered by Global Registration and Verification ('VPOBIP')" concept to enhance and assist USPS with its financial difficulties. Complaint at ¶ 21. The VPOBIP concept was created to provide individuals and businesses with the means to prove identity and create a

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[1] USPS does not concede that any facts alleged in plaintiff's complaint are true, even in part. However, they are taken for true for purposes of this Motion to Dismiss only.

more secure business environment over the internet. Id. Individuals and business would subscribe, for a fee, to what would be USPS's VPOBIP website. Id. Once subscribed, individuals would be required to prove their identities by presenting credentials to USPS through a local Post Office. Id. Once the individuals and business verified their identity through a Post Office, USPS would endorse those individuals and businesses as verified on the VPOBIP website. Id. The concept assumes that once an individual or business is verified, other individuals and business would have great confidence interacting with the individual or business over the internet, and that this verification process would decrease incidents of internet fraud. Id. at ¶ 22.

Plaintiff submitted the VPOBIP concept to the U.S. Patent and Trademark Office on May 7, 2007. Complaint at ¶ 23. Also in May 2007, plaintiff submitted the VPOBIP concept to Lisa Kingsley of USPS. Id. After this submission, Linda Stewart was assigned to plaintiff's case and she instructed him to submit his concept through USPS's Innovations database. Id. Plaintiff submitted his concept through the Innovations database in June 2007. Id. After uploading the VPOBIP, plaintiff inquired of both Ms. Stewart and Mr. Thomas Cinelli of the possibility of implementing a pilot program for the concept. Id. at ¶ 24. During one of these conversations, Mr. Cinelli informed plaintiff that the VPOBIP concept would be presented to USPS stakeholders,[2] one of which was Pitney Bowes, for approval. Id. Mr. Cinelli presented plaintiff's VPOBIP concept to the stakeholders and received approval to implement a pilot program. Id. at ¶ 25. However, because the profit for this pilot was projected to exceed $10 million, Mr. Cinelli informed plaintiff that he would need to receive permission from the Postal

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[2] USPS, as an independent establishment of the executive branch of the government of the United States does not have any "stakeholders." Nevertheless, without conceding the truth of any such allegation, USPS will continue to use plaintiff's terms.

Regulatory Commission (the "PRC")[3] before going forward. Id.

In August 2007, plaintiff began discussing his VPOBIP concept with the PRC and other governmental agencies in an attempt to receive approval for a pilot program. Complaint at ¶ 26. Plaintiff continued to engage the PRC in discussions from August 2007 until September 2009. Id. at ¶ 27. In September 2009, the PRC recommended that plaintiff bring his concept directly to Pitney Bowes. Id. After receiving permission from Pitney Bowes, the PRC provided plaintiff with John Campo's contact information. Id. at ¶ 28. Plaintiff presented his VPOBIP concept to Pitney Bowes through Mr. Campo, in the hopes that Pitney Bowes would help him bring his concept to fruition. Id. at ¶ 29. Two years later, in March or April 2011, Pitney Bowes launched its Volly.com initiative. Id. at ¶ 30. Pitney Bowes' Volly.com concept allegedly infringes on plaintiff's VPOBIP patent and Pitney Bowes, in conjunction with USPS, knowingly developed Volly.com using plaintiff's VPOBIP ideas. Id. at ¶¶ 30, 35.

II. Legal discussion

Plaintiff has sued both the USPS and Pitney Bowes, alleging patent infringement and six additional numbered causes of action (Count I through VI) against both defendants. He alleges a claim under the "Postal Accountability and Enhancement Act" in Count I. He alleges a claim for "Misrepresentation/Fraud" in Count II. He alleges a claim for "Conversion" in Count III. He alleges a claim for "Unjust Enrichment" in Count IV. He alleges a claim for "Misappropriation of Trade Secrets" in Count V. He also alleges an independent claim for "Punitive Damages" in Count VI.

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[3] This requirement does not exist within the Postal Accountability and Enhancement Act. USPS is unaware of where plaintiff received such information.

EXHIBIT “L”

OFFICE OF
INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

Virtual Post Office Boxes

April 17, 2013

Prepared by **Office of Audit**
Report Number: MS-WP-13-002

OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

April 17, 2013

MEMORANDUM FOR: NAGISA M. MANABE
CHIEF MARKETING AND SALES OFFICER AND
EXECUTIVE VICE PRESIDENT

FROM: Darrell E. Benjamin, Jr.
Deputy Assistant Inspector General
for Revenue and Performance

SUBJECT: Virtual Post Office Boxes
(Report Number MS-WP-13-002)

Attached are the results of our review regarding Virtual Post Office (PO) Boxes (Project Number 13RO004MS000). Virtual PO boxes would create opportunities for customers and businesses to manage the physical delivery of mail and parcels in the same way they manage digital communications. Virtual PO boxes with online management would also give users additional control over their mail — turning the mailbox into a powerful tool to manage goods and information. This paper identifies both potential features and challenges associated with virtual PO boxes.

If you have any questions or need additional information, please contact Janet M. Sorensen, director, Sales and Marketing, or me at 703-248-2100.

Attachments

cc: Randy S. Miskanic
Gary C. Reblin
Corporate Audit and Response Management

Virtual Post Office Boxes

Executive Summary

Communication is rapidly changing and people can carry on conversations, make decisions, direct activities, and transact business using many forms of communication media in addition to traditional mail correspondence (voice, email, tweet, instant message, wall post, text transmittal). Communication can also happen in almost any location (at home, work, airports, coffee shops). Digital addresses (phone, email, etc.) are also portable, but the physical address is still largely fixed to a specific location that is not always convenient or cost effective. For example, the current metal Post Office (PO) box at the Post Office is sometimes too small to accommodate packages and is, at other times, empty. In this environment, there is an opportunity for the U.S. Postal Service to meet changing customer preferences through providing additional functionality and a physical dimension to email communications and smart devices, while bringing more portability and flexibility to the physical address.

The Postal Service could introduce the virtual PO box as an alternative to the physical PO box. The virtual PO box would provide users with an address that could be redirected anywhere they choose. The change would move PO boxes to a back office operation at the nation’s post offices with temporary lockers or bins provided to customers in the customer facing front office for delivery upon demand. Items received would be held in the back office or stored in the connecting network plant if the customer requests micro-warehousing or storage. Virtual PO boxes would accommodate the flow of mailpieces and parcels just in time and provide users the ability to accept or redirect mailpieces using the Postal Service's website and smart devices. Alternate addresses could include: residences, a business, a nearby Post Office, a temporary address, or even a nearby parcel locker. For example, someone traveling frequently for business may request that their mail be redirected from their PO box to the office they are traveling to. Another person on vacation may request that their packages be delivered to a nearby gopost® parcel locker. A virtual PO box could also provide a solution to the issue of some Post Offices having an insufficient number of physical PO boxes to rent to customers. In addition, the virtual PO box would be a dedicated, permanent address that would remain constant, which could help reduce complications associated with change of address issues customers may experience after moving.

The virtual PO box could offer many features and options which customers could combine to suit their needs. The features and options could:

- Send alerts, via email or text message, when a customer has mail or parcels waiting.

- Give a physical dimension to email and smart devices by linking customers' email addresses to their PO box address and residential address for parcel fulfillment and other activities.

- Validate the identity of users for merchants and in peer-to-peer sales, while concealing home addresses and personal information.

- Allow international customers to shop online and provide merchants with a U.S. address for parcel delivery and returns. Parcels could also be repackaged and shipped with other parcels traveling to the same international destination, making costs less prohibitive.

- Provide small businesses the ability to possess a vanity address and use the virtual PO box as a micro-warehouse. The virtual PO box could receive inventory and send items as directed by the small business to customers.

- Allow international retailers to manage parcel returns by directing that the returns be repackaged and sent to new customers or other U.S. locations or recycled.

- Allow the option to maintain the current physical PO box as long as there is a continued demand for this popular service.

In addition, future enhancements to the virtual PO box could be developed as the need is warranted and the service has become well established. These future applications could include the ability to:

- Enhance the alert function by offering additional capabilities such as sending recipients emails with images of their mailpieces.

- Use scanning technologies to convert physical documents to digital or digital documents to physical (known as hybrid and reverse hybrid mail, respectively).

- Provide personal message integration and data storage. For example, an individual could archive or store tax returns, legal documents, and real estate transaction records.

To provide the functionality associated with the virtual PO box, the Postal Service could partner with companies currently providing similar services to leverage their expertise along with the Postal Service's well-established brand and long-standing trust of the American people. The joint partnership could also provide investment capital for the initiative. Because most of the features are extensions of the existing PO box product and could be considered ancillary to a current postal product, the basic service may require no change in existing law. The Postal Service is also well positioned to provide a virtual PO box service because it has sole access to PO boxes and mailboxes and maintains the address management and change of address systems for the U.S. In addition, the virtual PO box would allow the Postal Service to effectively redeploy excess space resulting from network optimization and move the address management system from a cost center to a profit center. Specifically, the Postal Service could provide space for micro-warehousing. Much of this surplus space is contiguous with active postal operations and, therefore, can't be sold or given away because of mail security issues. Further, while post offices may have limited storage space, they are already networked to large plants and mail facilities that have substantial storage space and ongoing network transportation connectivity.

The virtual PO box would benefit the Postal Service as it responds to the complex challenge of monetizing digital services, since the traditional PO box already has a fee structure. The virtual PO box, in addition to adding functionality to email accounts and smart devices, would also be a portal for broad new uses for the Postal Service's current network and products.

EXHIBIT “M”

Hearing before the Committee on
Homeland Security and Governmental Affairs
United States Senate

Oral Statement

September 19, 2013

David C. Williams
Inspector General
United States Postal Service

Mr. Chairman and members of the committee, I appreciate the opportunity to testify today. Starting in 2007, the Postal Service was hit with rapid volume loss due to the economic downturn and to Internet diversion.

The decline in mail volume now appears to be slowing, and the financial crisis, though serious, is leveling off. The Postal Service has taken dramatic and successful actions to optimize its network to reduced demand. A focus today, however, is on the revenue side. My office has conducted two related studies.

The first study found the Postal Service's ability to generate needed revenue under the CPI price cap is largely dependent on unlikely increases in volume. This is true for any labor intensive enterprise subject to price controls. The Postal Service's obligation to deliver daily to a growing number of addresses, alone, assures that it will remain labor intensive.

Mail volume was expanding significantly when the CPI cap was deployed. Also, at that time the monopoly – even with the universal service requirement – was a lucrative asset. These conditions suggested the need for a price control, since monopolies can be impervious to efficient market forces. In 2007 mail growth abruptly reversed. With fewer pieces of mail going to a delivery point, each remaining piece of mail had to raise more revenue to pay for the costs of delivery. Sufficient revenue above inflation was unavailable under the price cap.

Recent volume losses combined with the price cap imperil the Postal Service's ability to provide universal service while remaining self-funded. The price cap was intended to protect trapped monopoly customers, but the monopoly has lost much of its value, since there is powerful competition for each type of mail today – advertising, personal communications, business transactions, and parcels. Customers have alternatives, and the diminishing monopoly combined with the universal service requirement is now a growing liability. Our study suggested adjusting the CPI cap to take into consideration volume fluctuations and the revenue generated per delivery point.

The second study examined how sensitive postal customers are to price increases above CPI. We found that for moderate, predictable price increases, postal products generally have low price elasticity. That means small increases would provide badly needed revenue. As prices are increased, some volume will leave, but the associated revenue loss will be more than offset by revenue from the price increase. The study examined 20 years of data through 2012 and looked for any changes to price sensitivity, including from the Internet and the recession.

We are not saying that all postal customers have a high tolerance for price increases. Some customers remain price sensitive. Rather, as a whole, the demand for these products has low price elasticity. Current fears of a postal collapse are likely a far greater risk than small price increases.

Pricing freedom through efficient market forces should be used when possible. Casting them aside in favor of artificial controls has been problematic and is problematic for the Postal Service today. Efficient market forces have a long history of successfully disciplining companies. If the Postal Service loses customers with excessive prices, it will suffer the same punishing consequences as any other business.

New innovative technologies offer many opportunities to improve core Postal operations and customer service:

- Vast data, now generated throughout the network, can be mined for operational efficiencies.
- GPS can optimize routes, manage the fleet, and track packages.
- Mobile imaging can provide customers visual delivery confirmation.
- Sensors and RFID technology can digitally link postal equipment and vehicles, providing real-time visibility into all aspects of the network, joining the Postal Service to the Internet of Things.

In this remarkable, but highly imperfect digital age, citizens and businesses also face fundamental problems: loss of privacy, security, and confidentiality; the fragmentation of messaging – Toyota couldn't connect the dots between written correspondence and email complaints several years ago; the difficulty of navigating e-government services; the risk of buying online from unknown individuals; uneven broadband and banking access; and expensive e-commerce middlemen that inhibit entrepreneurs and small businesses.

The Postal Service can help address these problems:

- Secure electronic messaging can preserve privacy, security, and confidentiality for citizens and businesses.
- Storage and integration services can give people tools to organize communications in a multi-channel world.
- The Postal Service can offer seamless e-government services by supporting a digital platform with its network of post offices and delivery carriers.
- The 1) creation, 2) storage, and 3) validation of digital identities would protect against the risks of transacting with unknown people and businesses.
- Post offices can become centers for continuous democracy by serving as hubs to gather citizen input.
- The sale of single-use cash cards and the cash redemption of digital currency can provide alternatives for the unbanked, enabling their participation in commerce.
- Virtual P.O. Boxes can offer citizens and foreign buyers of U.S. goods delivery of their packages anywhere and anytime and support businesses with back-end operations such as micro-warehousing.

- The Postal Service already has a physical network underlying the emergent wired digital infrastructure. By further enabling that network, the Postal Service can assure that e-commerce is seamlessly supported by powerful fulfillment services for physical goods.

The Committee's attention on revenue and innovation is tremendously important, and prefunding, which the Committee will address next week, is also a substantial factor in the plight of the Postal Service's finances. Part of the need for price increases and the absence of investment capital for innovation are directly tied to the financial drains from prefunding. Thank you.

For the studies mentioned in this testimony, see Revisiting the CPI-Only Price Cap Formula and Analysis of Postal Price Elasticities on www.uspsoig.gov.

EXHIBIT “N”

Pitney Bowes Inc

- Summary
- Recipients
- Donors
- Expenditures
- PAC to PAC/Party

Select a Cycle: 2006

House
Total to Democrats: $27,500
Total to Republicans: $41,833

Recipient	Total
Bean, Melissa (D-IL)	$2,000
Chabot, Steve (R-OH)	$5,000
Cummings, Elijah E (D-MD)	$1,000
Davis, Danny K (D-IL)	$2,000
Davis, Tom (R-VA)	$6,000
DeLauro, Rosa L (D-CT)	$1,000
Edwards, Chet (D-TX)	$2,000
Goodlatte, Bob (R-VA)	$500
Hoyer, Steny H (D-MD)	$2,000
Johnson, Nancy L (R-CT)	$7,000
Kilpatrick, Carolyn Cheeks (D-MI)	$1,000
Larson, John B (D-CT)	$2,000
Markey, Ed (D-MA)	$2,500
Matheson, Jim (D-UT)	$1,000
McHugh, John M (R-NY)	$5,000
Miller, Candice S (R-MI)	$3,000
Norton, Eleanor Holmes (D-DC)	$1,000
Pelosi, Nancy (D-CA)	$5,000
Pryce, Deborah (R-OH)	$2,000
Shays, Christopher (R-CT)	$8,333
Simmons, Rob (R-CT)	$4,000
Spratt, John M Jr (D-SC)	$2,000
Tiahrt, Todd (R-KS)	$1,000

Recipient	Total
Waxman, Henry (D-CA)	$2,000
Wynn, Albert R (D-MD)	$1,000

Senate

Total to Democrats: $14,580
Total to Republicans: $12,000

Recipient	Total
Akaka, Daniel K (D-HI)	$2,000
Bennett, Robert F (R-UT)	$2,000
Burns, Conrad (R-MT)	$1,500
Carper, Tom (D-DE)	$4,580
Clinton, Hillary (D-NY)	$1,000
Conrad, Kent (D-ND)	$1,000
DeWine, Mike (R-OH)	$3,500
Dodd, Chris (D-CT)	$5,000
Enzi, Mike (R-WY)	$1,000
Graham, Lindsey (R-SC)	$1,000
Hatch, Orrin G (R-UT)	$2,000
Inouye, Daniel K (D-HI)	$1,000
Lieberman, Joe (I-CT)	$10,000
Santorum, Rick (R-PA)	$1,000

Based on data released by the FEC on June 17, 2013.

EXHIBIT "O"

PITNEY BOWES EMPLOYEE CONTRIBUTIONS TO REP. TOM DAVIS 2005-2006 CAMPAIGN

Individual donors gave 90 large ($200+) contributions to this PAC in 2005-2006.

View Top Organizations

Browse by Amount: 1 2Next

Contrib	Occupation	Date	Amount
NOLOP, BRUCE NEW YORK, NY 10029	PITNEY BOWES	02/17/06	$5,000
CRITELLI, MICHAEL DARIEN, CT 06820	PITNEY BOWES INC.	03/10/06	$5,000
NOLOP, BRUCE NEW YORK, NY 10029	PITNEY BOWES	03/21/05	$5,000
CRITELLI, MICHAEL DARIEN, CT 06820	PITNEY BOWES	07/19/05	$5,000
MAYES, MICHELE NEW YORK, NY 10016	PITNEY BOWES	02/17/06	$3,000
TORSONE, JOHNNA STAMFORD, CT 06903	PITNEY BOWES INC.	03/23/06	$3,000
BOWEN, ROBERT ANNAPOLIS, MD 21401	PITNEY BOWES	03/13/05	$2,500
MAYES, MICHELE NEW YORK, NY 10016	PITNEY BOWES	03/02/05	$2,000
SHAN, HELEN NEW YORK, NY 10021	PITNEY BOWES INC.	12/15/06	$2,000
WALL, JOSEPH FAIRFIELD, CT 06824	PITNEY BOWES	04/12/05	$2,000
BUONCONTRI, GREGORY POUND RIDGE, NY 10576	PITNEY BOWES	03/02/05	$1,875
BUONCONTRI, GREGORY POUND RIDGE, NY 10576	PITNEY BOWES INC.	03/23/06	$1,800
DE PALMA, VINCENT MANHASSET, NY 11030	PITNEY BOWES INC.	03/10/06	$1,500
WOODWARD, STEPHEN FAIRFIELD, CT 06824	PITNEY BOWES	02/02/06	$1,500
SHAN, HELEN NEW YORK, NY 10021	PITNEY BOWES	01/17/06	$1,500
BOKIDES, DESSA GREENWICH, CT 06830	PITNEY BOWES	06/15/05	$1,500
CONNOLLY, KEVIN NORWALK, CT 06851	PITNEY BOWES INC.	03/31/06	$1,200

METVINER, NEIL STAMFORD, CT 06903	PITNEY BOWES	02/24/06	$1,000
ABI-KARAM, LESLIE RIDGEFIELD, CT 06877	PITNEY BOWES	02/17/06	$1,000
GRIECO, STEPHEN GREENWICH, CT 06870	PITNEY BOWES	03/13/05	$1,000
JAMES, JUANITA STAMFORD, CT 06903	PITNEY BOWES	03/02/05	$1,000
KROHN, ROBERT OMAHA, NE 68124	PITNEY BOWES / PSI GROUP INC.	03/02/05	$1,000
WALL, JOSEPH FAIRFIELD, CT 06824	PITNEY BOWES INC.	04/21/06	$1,000
MARTIN, MURRAY RIDGEFIELD, CT 06877	PITNEY BOWES	08/05/05	$800
MARTIN, MURRAY RIDGEFIELD, CT 06877	PITNEY BOWES	10/17/05	$800
DE PALMA, VINCENT MANHASSET, NY 11030	PITNEY BOWES INC.	09/29/05	$750
CONNOLLY, KEVIN NORWALK, CT 06851	PITNEY BOWES	04/12/05	$750
PINO, DANIELA PELHAM, NY 10803	PITNEY BOWES INC.	05/05/06	$750
ZYSKOWSKI, LORI EASTON, CT 06612	PITNEY BOWES INC.	03/17/06	$750
BELEC, ERIC SOUTHBURY, CT 06488	PITNEY BOWES INC.	04/14/06	$750
DAVIS, MARK FAIRFIELD, CT 06824	PITNEY BOWES	03/13/05	$750
BEECHER, THOMAS WEST NEWTON, MA 02465	PITNEY BOWES	02/02/06	$750
BRIGGS, ALLYN NORWALK, CT 06850	PITNEY BOWES	02/24/06	$750
GRIECO, STEPHEN MENDHAM, NJ 07945	PITNEY BOWES	02/24/06	$750
ARMETTA, CARLENE STAMFORD, CT 06903	PITNEY BOWES INC.	03/23/06	$750
JACOBSON, JEFFREY TRUMBULL, CT 06611	PITNEY BOWES INC.	12/21/06	$600
HARMON, JOHN TRUMBULL, CT 06611	PITNEY BOWES INC.	04/07/06	$600
JACOBSON, JEFFREY TRUMBULL, CT 06611	PITNEY BOWES INC.	04/14/06	$600

JAMES, SUZANNE SOMERS, NY 10589	PITNEY BOWES INC.	04/14/06	$500
MCNEIL, MICHAEL STAMFORD, CT 06907	PITNEY BOWES INC.	04/28/06	$500
TUCKER, DAVID TRUMBULL, CT 06611	PITNEY BOWES INC.	04/28/06	$500
ALTIERI, RAYMOND NORTH HAVEN, CT 06473	PITNEY BOWES INC.	04/21/06	$500
CAPERELLA, CONCETTA HARRISON, NY 10528	PITNEY BOWES INC.	04/14/06	$500
ROBBERTZ, PAUL RIDGEFIELD, CT 06877	PITNEY BOWES INC.	05/05/06	$500
BAMJI, PERVEZ D FORT LEE, NJ 07024	PITNEY BOWES	01/17/06	$500
ANASTASIA, MARSHA W. REDDING, CT 06896	PITNEY BOWES INC.	12/08/06	$500
BELEC, ERIC SOUTHBURY, CT 06488	PITNEY BOWES INC.	12/15/06	$500
BISHOP, KATHLEEN WILTON, CT 06897	PITNEY BOWES INC.	03/31/06	$500
PURDUE, FREDERICK WILTON, CT 06897	PITNEY BOWES	04/19/05	$500
GULATI, ANITA STAMFORD, CT 06902	PITNEY BOWES INC.	04/21/06	$412
REMBERT, DEENA STAMFORD, CT 06902	PITNEY BOWES INC.	05/12/06	$400
HARMON, JOHN TRUMBULL, CT 06611	PITNEY BOWES	03/13/05	$400
WOODS-KING, CATHLEEN PELHAM, NY 10803	PITNEY BOWES	03/02/05	$400
WOODS-KING, CATHLEEN PELHAM, NY 10803	PITNEY BOWES INC.	03/31/06	$400
MALONE, CHARLENE NORWALK, CT 06850	PITNEY BOWES INC.	03/10/06	$400
DAVEY, MARK SPRING, TX 77379	PITNEY BOWES INC.	03/10/06	$400
SALCE, DEBBIE D GREENWICH, CT 06830	PITNEY BOWES	01/17/06	$400
JACOBSON, JEFFREY TRUMBULL, CT 06611	PITNEY BOWES	06/17/05	$400
KHANNA, JOE NEW ROCHELLE, NY 10802	PITNEY BOWES	07/07/05	$395

FLAHERTY, BILLIE TRUMBULL, CT 06611	PITNEY BOWES	06/14/05	$375
FULGENZI, MARIANNE HAWTHORNE, NY 10532	PITNEY BOWES	06/14/05	$375
JACKSON, SUSAN GREENWICH, CT 06830	PITNEY BOWES INC.	07/07/05	$375
ANASTASIA, MARSHA L WEST REDDING, CT 06896	PITNEY BOWES	01/17/06	$375
MARTUCCI, ELIZABETH NEW FAIRFIELD, CT 06812	PITNEY BOWES INC.	03/10/06	$375
RECINOS, MARTHA STAMFORD, CT 06902	PITNEY BOWES INC.	03/31/06	$375
WAYNE, STEPHEN STAMFORD, CT 06905	PITNEY BOWES INC.	03/31/06	$375
JACKSON, SUSAN GREENWICH, CT 06830	PITNEY BOWES INC.	03/23/06	$333
DEBOIS, ELISE WEST HARRISON, NY 10604	PITNEY BOWES	01/17/06	$300
BILSON, CAROLE FAIRFIELD, CT 06825	PITNEY BOWES INC.	03/17/06	$300
YEATON, LEANDER NAPERVILLE, IL 60565	PITNEY BOWES	03/02/05	$300

Browse by Amount: Previous 1 2

Contrib	Occupation	Date	Amount
BAMJI, PERVEZ FORT LEE, NJ 07024	PITNEY BOWES	04/04/05	$300
BROWN, NANETTE OXFORD, CT 06478	PITNEY BOWES INC.	04/28/06	$300
TOMASELLI, DANIEL NORWALK, CT 06854	PITNEY BOWES	05/26/06	$300
FERRARY-BAER, RUTH (TONIE) HUMBLE, TX 77346	PITNEY BOWES INC.	05/26/06	$300
SALCE, DEBBIE GREENWICH, CT 06830	PITNEY BOWES	06/17/05	$300
GULATI, ANITA STAMFORD, CT 06902	PITNEY BOWES	04/27/05	$300
OXTON, JAY OMAHA, NE 68130	PITNEY BOWES	03/13/05	$300
HARTMAN-GUTOWSKI, CLAIRE NORWALK, CT 06850	PITNEY BOWES INC.	09/30/05	$300

BILSON, CAROLE FAIRFIELD, CT 06825	PITNEY BOWES	05/16/05	$250
WALDEN, STEPHEN C LONGMONT, CO 80501	GROUP 1 SOFTWARE / PITNEY BOWES	06/14/05	$250
BROWN, NANETTE OXFORD, CT 06478	PITNEY BOWES	07/15/05	$250
KHANNA, JOE NEW ROCHELLE, NY 10802	PITNEY BOWES INC.	05/05/06	$250
BATTAGLIA, GARY WILTON, CT 06897	PITNEY BOWES INC.	05/17/06	$250
BRENNAN, JEFFREY STAMFORD, CT 06901	PITNEY BOWES INC.	04/28/06	$250
CARELLA, PAUL SOUTHBURY, CT 06488	PITNEY BOWES INC.	06/22/06	$250
DARRIS, CRANSTON NEW YORK, NY 10026	PITNEY BOWES INC.	06/09/06	$250
HANSEN, GARY NEWTOWN, CT 06470	PITNEY BOWES INC.	08/25/06	$250
BISHOP, KATHLEEN WILTON, CT 06897	PITNEY BOWES	04/27/05	$250
MARTORANA, RICHARD TRUMBULL, CT 06611	PITNEY BOWES INC.	03/31/06	$250
SACK, KEVIN W BLOOMFIELD, MI 48322	PITNEY BOWES	04/27/05	$225

METHODOLOGY: The numbers on this page are based on contributions from individuals giving $200 or more, as reported to the Federal Election Commission.

NOTE: All the numbers on this page are for the 2006 election cycle and based on Federal Election Commission data released on June 17, 2013.

EXHIBIT “P”

CBRE United States

CBRE | MEGA
Part of the CBRE affiliate network

Bill Dana

Vice President

BILL DANA

Vice President

Brokerage
Investment Properties
11213 Davenport Street
Suite 300
Omaha, NE 68154
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F +1 402 6975881
email
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PROFESSIONAL EXPERIENCE

Bill Dana served as Vice President of Brokerage at MEGA from 1988 until 1993. He helped spearhead the company to record-setting revenue profits for a wide range of clients. With his leadership skills, he was able to advance the level of professionalism in the brokerage division by introducing new concepts and implementing training to the brokerage team. After Bill's departure, MEGA went on and established a partner affiliation by merging with CB Richard Ellis, now CBRE, Inc.

In 2002, Bill returned to the newly merged CBRE|MEGA. From his past experience, he has been able to bridge the company's brokerage services with investment and development opportunities. In addition, his personal and professional relationships in Omaha's real estate community have provided many opportunities that have added to the great success of CBRE|MEGA.

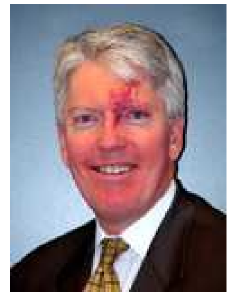
1999 to Current, Chief Executive Officer
Bill and Tucker Magid formed Dana Magid Development (DMD) in 1999. DMD continues to specialize in build-to-suit for lease development projects, construction management, real estate investment, consulting, and site selection services. Dana Magid currently oversees the asset management and operations of more than 500,000 SF.

1993 to 1999, President of PSI Group
PSI Group was the nation's largest presort mail-processing organization with operating centers located in 25 cities. By 1999, PSI employed 686 non-union employees, processed over 1.4 billion pieces of mail, had gross revenues of approximately $133 million, and net revenues of approximately $36.6 million. The phenomenal success of PSI attracted the interest of Pitney Bowes Inc., and in 1999, PSI Group was sold to Pitney Bowes.

1980 to 1988, Senior Vice President of Essex Corporation
Bill has overseen commercial real estate development for many major projects in West Omaha including Westmark Plaza, Regency West Point, and The Mark. He was personally involved in the development and investment teams of over 15 projects totaling in excess of over 700,000 SF.

CBRE United States

Steven Bardsley



Senior Vice President

PROFESSIONAL EXPERIENCE

Steven P. Bardsley, a Senior Vice President and member of the New York Institutional Group, has over 25 years of experience and currently focuses on investment, corporate asset and net lease sales.

Mr. Bardsley, whose focus is on the Metropolitan New York area and second tier cities in the Eastern U.S., has closed $1.2 billion in transactions over the last five years. Mr. Bardsley's achievements include being awarded the Investment Properties Professional of the Year for Suburban New York as well as receiving a “deal of the year” award five times in the suburban markets in which he serves.

Prior to his current position, Mr. Bardsley served as Director of Real Estate and Facilities Management for Pitney Bowes Inc. and was responsible for real estate development, acquisition and disposition worldwide. Immediately prior to Pitney Bowes, Mr. Bardsley was a Senior Real Estate Officer in the Capital Markets Group at Citibank, where he structured, acquired and disposed of real estate investments for clients.

ACHIEVEMENTS

- 2011 NAIOP's Sale of the Year Fairfield County - One Dock Street, Stamford, CT
- 2009 NAIOP's Sale of the Year Fairfield County - Corporate Center at Danbury, Danbury, CT
- 2006 NAIOP's Sale of the Year Fairfield County – Norden Park, Norwalk, CT
- 2004 CBRE's Investment Properties Professional of the Year for suburban New York
- 2003 NAIOP's NJ Chapter Deal of the Year for the Dun & Bradstreet Headquarters relocation
- 2002, 2004 NAIOP's Acquisition of the Year Award – New York City, Westchester/Fairfield County Region, for the sale of the former Texaco Headquarters and General Foods Headquarters, respectively
- 2001 Real Estate New York Magazine "Commercial Brokerage All Star"
- 1999 NAIOP Owner-Acquisition of the Year Award for Westchester County, New York for the sale of Ten Bank Street, White Plains, New York

STEVEN BARDSLEY

Senior Vice President

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email
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EXHIBIT "Q"

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011 Commission file number: 1-3579

PITNEY BOWES INC.

Incorporated in Delaware
1 Elmcroft Road, Stamford, Connecticut 06926-0700
(203) 356-5000

I.R.S. Employer Identification No.
06-0495050

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, $1 par value per share	New York Stock Exchange
$2.12 Convertible Cumulative Preference Stock (no par value)	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: 4% Convertible Cumulative Preferred Stock ($50 par value)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
Yes ☐ No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check marks whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files)
Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☑

As of June 30, 2011, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was $4,647,239,292 based on the closing sale price as reported on the New York Stock Exchange.

Number of shares of common stock, $1 par value, outstanding as of close of business on February 13, 2012: 199,787,708 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's proxy statement to be filed with the Securities and Exchange Commission (the Commission) on or before April 29, 2012 and to be delivered to stockholders in connection with the 2012 Annual Meeting of Stockholders to be held May 14, 2012, are incorporated by reference in Part III of this Form 10-K.

PITNEY BOWES INC.
PART I

ITEM 1. – BUSINESS

General

Pitney Bowes Inc. ("we," "us," "our," or "Company"), was incorporated in the state of Delaware on April 23, 1920, as the Pitney Bowes Postage Meter Company. Today we are a global provider of software, hardware and services to enable both physical and digital communications and to integrate those physical and digital communications channels. Our growth strategies focus on leveraging our historic leadership in physical communication with our expanding capabilities in digital and hybrid communications. We see long-term opportunities in delivering products, software, services and solutions that help customers grow their business by more effectively managing their physical and digital communications with their customers.

For more information about us, our products, services and solutions, visit www.pb.com. Also, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments or exhibits to those reports are available, free of charge, through the Investor Relations section of our website at www.pb.com/investorrelations, as soon as reasonably practicable after such reports are electronically filed with, or furnished to, the Securities and Exchange Commission (the SEC). The information found on our website is not part of this or any other report we file with or furnish to the SEC.

Our annual, quarterly and current reports, proxy statements and other information can also be obtained from the SEC's website at www.sec.gov. This uniform resource locator is an inactive textual reference only and is not intended to incorporate the contents of the SEC website into this Form 10-K.

You may read and copy any document we file with the SEC at the SEC's Public Reference Room at 450 Fifth Street, NW, Washington, DC 20549. You may also request copies of these documents by writing to the SEC's Office of Public Reference at the above address, at prescribed rates. Please call the SEC at (800) 732-0330 for further information on the operations of the Public Reference Room and copying charges.

Business Segments

We organize and report our business activities within two groups based on the customers they primarily serve, Small & Medium Business Solutions and Enterprise Business Solutions. See Note 18 to the Consolidated Financial Statements for financial information concerning our reporting segments. The principal products and services of each of our reporting segments are as follows:

Small & Medium Business Solutions:

North America Mailing: Includes the U.S. and Canadian revenue and related expenses from the sale, rental and financing of our mail finishing, mail creation, shipping equipment and software; supplies; support and other professional services; and payment solutions.

International Mailing: Includes the revenue and related expenses from the sale, rental and financing of our mail finishing, mail creation, shipping equipment and software; supplies; support and other professional services; and payment solutions outside North America.

Enterprise Business Solutions:

Production Mail: Includes the worldwide revenue and related expenses from the sale, support and other professional services of our high-speed, production mail systems, sorting and production print equipment.

Software: Includes the worldwide revenue and related expenses from the sale and support services of non-equipment-based mailing, customer relationship and communication and location intelligence software.

Management Services: Includes worldwide revenue and related expenses from facilities management services; secure mail services; reprographic, document management services; and litigation support and eDiscovery services.

Mail Services: Includes the worldwide revenue and related expenses from presort mail services and cross-border mail services.

Marketing Services: Includes the revenue and related expenses from direct marketing services for targeted customers.

Support Services

We maintain extensive field service organizations to provide servicing for customers' equipment, usually in the form of annual maintenance contracts.

Marketing

We market our products and services through our sales force, direct mailings, outbound telemarketing, independent distributors and the Internet. We sell to a variety of business, governmental, institutional and other organizations. We have a broad base of customers, and we are not dependent upon any one customer or type of customer for a significant part of our revenue. We do not have significant backlog or seasonality relating to our businesses.

Credit Policies

We establish credit approval limits and procedures based on the credit quality of the customer and the type of product or service provided to control risk in extending credit to customers. In addition, we utilize an automatic approval program for certain leases. This program is designed to facilitate low dollar transactions by utilizing historical payment patterns and losses realized for customers with common credit characteristics. The program defines the criteria under which we will accept a customer without performing a more detailed credit investigation, such as maximum equipment cost, a customer's time in business and payment experience.

We closely monitor the portfolio by analyzing industry sectors and delinquency trends by product line, industry and customer to ensure reserve levels and credit policies reflect current trends. Management continues to closely monitor credit lines, collection resources, and revise credit policies as necessary to be more selective in managing the portfolio.

Competition

We are a leading supplier of products and services in the large majority of our business segments and our long experience, reputation for product quality, and our sales and support service organizations are important factors in influencing customer choices with respect to our products and services. All of our segments face competition from a number of companies. In particular, we face competition from companies that offer products and services as alternative means of message communications, including from postage meter and mailing machine suppliers for new placements of mailing equipment and from companies that offer alternatives to our mailing products, services and software. As we expand our activities in managing and integrating physical and digital communications, we will face competition from other companies looking to digitize mail, as well as those providing on-line payment services. We finance the majority of our equipment sales through our captive financing business. Our financing operations face competition, in varying degrees, from leasing companies, commercial finance companies, commercial banks and other financial institutions. Our competitors range from very large, diversified financial institutions to many small, specialized firms. We offer a complete line of products and services as well as a variety of finance and payment offerings to our customers. We are a major provider of business services to the corporate, financial services, professional services and government markets, competing against national, regional and local firms specializing in facilities and document management throughout the world.

Research, Development and Intellectual Property

We have many research and development programs that are directed toward developing new products and service offerings. As a result of our research and development efforts, we have been awarded a number of patents with respect to several of our existing and planned products. We do not believe our businesses are materially dependent on any one patent or license or any group of related patents or group of related licenses. Our expenditures for research and development were $149 million, $156 million and $182 million in 2011, 2010 and 2009, respectively.

Material Suppliers

We depend on third-party suppliers for a variety of services, components, supplies and a large portion of our product manufacturing. In certain instances, we rely on single sourced or limited sourced suppliers around the world because the relationship is advantageous due to quality, price, or there are no alternative sources. We have not historically experienced shortages in services, components or products and believe that our available sources for materials, components, services and supplies are adequate.

Regulatory Matters

We are subject to the regulations of postal authorities worldwide related to product specifications and business practices involving our postage meters. From time to time, we will work with these governing bodies to help in the enhancement and growth of mail and the mail channel.

Employees and Employee Relations

At December 31, 2011, we employed approximately 20,100 persons in the U.S. and 8,600 persons outside the U.S. The large majority of our employees are not represented by any labor union, and we believe that our current relations with employees are good. Management follows the policy of keeping employees informed of decisions, and encourages and implements employee suggestions whenever practicable.

Executive Officers

See Part III, Item 10. "Directors, Executive Officers and Corporate Governance" of this Form 10-K for information about Executive Officers of the Registrant.

ITEM 1A. – RISK FACTORS

In addition to the disclosures and other information discussed in this report, the following risk factors should be considered in evaluating our business. We work to manage and mitigate these risks proactively, including through the use of an enterprise risk management program. Nevertheless, the following risks, some of which may be beyond our control, could materially impact our businesses, our brand and reputation, financial condition and results of operations and may cause future results to be materially different than our current expectations:

Our revenue and profitability could be adversely affected by changes in postal regulations and processes.

The majority of our revenue is directly or indirectly subject to regulation and oversight by postal authorities worldwide. We depend on a healthy postal sector in the geographic markets where we do business, which could be influenced positively or negatively by legislative or regulatory changes in those countries. Our profitability and revenue in a particular country could be affected by adverse changes in postal regulations, the business processes and practices of individual posts, the decision of a post to enter into particular markets in direct competition with us, and the impact of any of these changes on postal competitors that do not use our products or services. These changes could affect product specifications, service offerings, customer behavior and the overall mailing industry.

An accelerated decline in physical mail volumes could have an increasingly adverse effect on our revenues and profitability as we transition to more digital offerings and other services.

An accelerated decline in physical mail volumes could adversely affect our business. An accelerated or sudden decline in physical mail volumes could result from, among other things, changes in our customers' communication behavior, including changes in communications technologies; government actions such as executive orders, legislation or regulations that mandate electronic substitution, prohibit certain types of mailings, increase the difficulty of using information or materials in the mail, or impose higher taxes or fees on mailing or postal services; and unexpected events such as the transmission of biological or chemical agents, or acts of terrorism

Customer usage of postal services to send physical mail continues to decline and has had an adverse effect on our revenues and profitability. We do not expect total mail volumes to rebound to prior peak levels. Factors underlying this trend include, among other things, increasing familiarity and comfort with the Internet, expansion of mobile internet access and the growing trend by businesses to incent or require their customers to use alternatives to mail for payments and statement presentment. We have introduced various product and service offerings as alternatives to physical mail; however, there is no guarantee that these product and services offerings will be widely accepted in the marketplace; and if accepted, they will face competition from existing and emerging alternative products and services.

We depend on third-party suppliers and outsource providers and our business could be adversely affected if we fail to manage these constituents effectively.

We depend on third-party suppliers and outsource providers for a variety of components, supplies and a large portion of our product manufacturing and we outsource a number of our non-core functions and operations. In certain instances, we rely on single sourced or limited sourced suppliers and outsourcing vendors around the world because the relationship is advantageous due to quality, price, or lack of alternative sources. If production was interrupted and we were not able to find alternate third-party suppliers, we could experience disruptions in manufacturing and operations including product shortages, higher freight costs and re-engineering costs. If outsourcing services are interrupted or not performed or the performance is poor, this could impact our ability to process, record and report transactions with our customers and other constituents. Such interruptions in the provision of supplies and/or services could result in our inability to meet customer demand, damage our reputation and customer relationships and adversely affect our business.

Market deteriorations and credit downgrades could adversely affect our cost of funds and related margins, liquidity, competitive position and access to capital markets.

We provide financing services to our customers for equipment, postage, and supplies. Our ability to provide these services is largely dependent upon our continued access to the U.S. capital markets. An additional source of liquidity consists of deposits held in our wholly owned industrial loan corporation, The Pitney Bowes Bank (the Bank). A significant credit ratings downgrade, material capital market disruptions, significant withdrawals by depositors at the Bank, or adverse changes to our industrial loan charter could impact our ability to maintain adequate liquidity and impact our ability to provide competitive offerings to our customers.

We have a commercial paper program that is an important source of liquidity for us. While we continue to have unencumbered access to the commercial paper markets, there can be no assurance that such markets will continue to be a reliable source of short-term financing for us. If market conditions deteriorate, there can be no assurance that other funding sources would be available or sufficient, and those funding sources that may be available could result in a significantly higher cost of borrowing and adversely impact our results of operations.

Failure to comply with privacy laws and other related regulations could subject us to significant liability and damage our reputation.

Several of our services and financing businesses use, process and store customer information that could include confidential, personal or financial information. We also provide third-party benefits administrators with access to our employees' personal information. Privacy laws and similar regulations in many jurisdictions where we do business, as well as contractual provisions, require that we and our benefits administrators take significant steps to safeguard this information. These laws are continuing to evolve. We, and our third-party benefits administrators, have security systems and procedures in place that are designed to protect against unauthorized access to such information; however, there is no guarantee that experienced computer programmers or hackers will not be able to gain access to ours, our third-party benefits administrators, security systems and misappropriate confidential information. Any significant violations of data privacy or failure to comply with any of these laws, regulations or contract provisions could damage our reputation and business and subject us to significant remediation costs and/or liability.

A disruption of our information technology systems could adversely impact our operating results.

Our portfolio of product, service and financing solutions is dependent on reliable information technology systems. We maintain secure systems to collect revenue for certain postal services, which is critical to enable both our systems and the postal systems to run reliably. The continuous and uninterrupted performance of our systems is critical to our ability to support and service our customers and to support postal services. We have disaster recovery plans in place to protect our business operations in the case of adverse acts of nature, security breaches, power or communications failures, computer viruses, vandalism and other unexpected events. Despite our preparations, our disaster recovery plans may not be completely successful and we could be prevented from fulfilling orders and servicing customers and postal services, which could have an adverse effect on our reputation and business.

Our inability to obtain and protect our intellectual property and defend against claims of infringement by others may negatively impact our operating results.

We do not believe our businesses are materially dependent on any one patent or license or group of patents or licenses. However, we rely on copyright, trade secret, patent and other intellectual property laws in the United States and similar laws in other countries to establish and protect proprietary rights that are important to our business. If we fail to enforce our intellectual property rights, our businesses may suffer. We, or our suppliers, may be subject to third-party claims of infringement on intellectual property rights. These claims, if successful, may require us to redesign affected products, enter into costly settlement or license agreements, pay damage awards, or face a temporary or permanent injunction prohibiting us from marketing or selling certain of our products.

If we fail to comply with government contracting regulations, our operating results, brand name and reputation could suffer.

Many of our contracts are with governmental entities. Government contracts are subject to extensive and complex government procurement laws and regulations, along with regular audits of contract pricing and our business practices by government agencies. If we are found to have violated some provisions of the government contracts, we could be required to provide a refund, pay significant damages, or be subject to contract cancellation, civil or criminal penalties, fines, or debarment from doing business with the government. Any of these events could not only affect us financially but also adversely affect our brand and reputation.

ITEM 1B. – UNRESOLVED STAFF COMMENTS

None.

ITEM 2. – PROPERTIES

Our world headquarters is located in Stamford, Connecticut. We have facilities worldwide that are either leased or owned. Our primary manufacturing and assembly operations are located in Danbury, Connecticut and our principal research and development facilities are located in Danbury, Connecticut and Noida, India. We believe that our manufacturing and assembly, administrative and sales office locations are adequate for the needs of all of our operations.

ITEM 3. – LEGAL PROCEEDINGS

Legal Proceedings

In the ordinary course of business, we are routinely defendants in, or party to a number of pending and threatened legal actions. These may involve litigation by or against us relating to, among other things, contractual rights under vendor, insurance or other contracts; intellectual property or patent rights; equipment, service, payment or other disputes with customers; or disputes with employees. Some of these actions may be brought as a purported class action on behalf of a purported class of employees, customers or others.

Our wholly owned subsidiary, Imagitas, Inc., is a defendant in several purported class actions initially filed in six different states. These lawsuits have been coordinated in the United States District Court for the Middle District of Florida, In re: Imagitas, Driver's Privacy Protection Act Litigation (Coordinated, May 28, 2007). Each of these lawsuits alleges that the Imagitas DriverSource program violated the federal Drivers Privacy Protection Act (DPPA). Under the DriverSource program, Imagitas entered into contracts with state governments to mail out automobile registration renewal materials along with third party advertisements, without revealing the personal information of any state resident to any advertiser. The DriverSource program assisted the state in performing its governmental function of delivering these mailings and funding the costs of them. The plaintiffs in these actions were seeking statutory damages under the DPPA. On December 21, 2009, the Eleventh Circuit Court affirmed the District Court's summary judgment decision in Rine, et al. v. Imagitas, Inc. (United States District Court, Middle District of Florida, filed August 1, 2006) which ruled in Imagitas' favor and dismissed that litigation. That decision is now final, with no further appeals available. With respect to the remaining state cases, on December 30, 2011, the District Court ruled in Imagitas' favor and dismissed the litigation. Plaintiff has filed a notice of appeal to the Court of Appeals for the Eleventh Circuit. Based upon our current understanding of the facts and applicable laws, we do not believe there is a reasonable possibility that any loss has been incurred.

On October 28, 2009, the Company and certain of its current and former officers were named as defendants in NECA-IBEW Health & Welfare Fund v. Pitney Bowes Inc. et al., a class action lawsuit filed in the U.S. District Court for the District of Connecticut. The complaint asserts claims under the Securities Exchange Act of 1934 on behalf of those who purchased the common stock of the Company during the period between July 30, 2007 and October 29, 2007 alleging that the Company, in essence, missed two financial projections. Plaintiffs filed an amended complaint on September 20, 2010. After briefing on the motion to dismiss was completed, the plaintiffs filed a new amended complaint on February 17, 2012. We intend to move to dismiss this new amended complaint. Based upon our current understanding of the facts and applicable laws, we do not believe there is a reasonable possibility that any loss has been incurred.

We expect to prevail in the legal actions above; however, as litigation is inherently unpredictable, there can be no assurance in this regard. If the plaintiffs do prevail, the results may have a material effect on our financial position, future results of operations or cash flows, including, for example, our ability to offer certain types of goods or services in the future.

ITEM 4. – MINE SAFETY DISCLOSURES

Not applicable

EXHIBIT “R”

The Honorable Steven Lynch
United States House of Representatives
Ranking Member H.R. Oversight Subcommittee
2133 Rayburn House Office Building
Washington, D.C. 20515-4403

CONGERSSIONAL NOTICE TO PREVENT MANIFEST INJUSTICE AND UNFAIR COMPETITION CURRENTLY BEING COMMITTED BY THE "UNITED STATES POSTAL SERVICE" AND "PITNEY BOWES, INCORPORATED", USPS STAKEHOLDER/INCUMBENT SUPPLIER, et. al.

Attention Rep. Lynch,

Please accept this letter in lieu of an informal Congressional Notice for the purpose of preventing manifest injustice, unfair practices, and Unfair Competition currently being committed by the United States Postal Service (USPS) and USPS Stakeholders including but not limited to Incumbent Supplier Pitney Bowes, Inc.

You may be familiar with the subject of this Congressional Notice, the Virtual P.O. Box/Internet Passport (VPOBIP) Initiative. In 2009 I forwarded an introduction to you, Rep. Steven Lynch the Chairman of the House Oversight Subcommittee. I believe you embraced the concept since you then forwarded the introduction to the USPS. Over the years, since I first heard you and your members speak on the subject of the Postal Service competing in the private sector, you have always maintained your position, "*I don't want the Postal Service to be able to take advantage of its special monopoly protection while it seeks to compete with the private sector. If the Postal Service wants to compete, it's got to be with an even playing field*."-Rep. Jason Chaffez.

STATEMENT OF FACTS

I. NATURE OF THE CONGRESSIONAL NOTICE

The violations described by the following is a case of a friendly new neighbor who takes his ball to the playground for all to enjoy, only to be victimized by bullies who conspire to play keep away with the new neighbor's ball. Or it may be described as the proverbial "David" vs. a band of "Goliaths". This document is in lieu of a formal complaint of UNFAIR COMPETITION committed by the United States Postal Service acting in collusion with USPS Stakeholders and Supplier in violations of 39 U.S.C. §404a.

II. BACKGROUND

In 2007, I, Frederick Foster, "*came to the rescue of the Postal Service*"... I created a panacea, named the Virtual P.O. Box/Internet Passport (VPOBIP) Initiative for the USPS. The VPOBIP Initiative can be described as an "Internet safe haven" for the Nations Internet users or a "secure digital delivery service". The VPOBIP Initiative has a dual purpose; (1) Repairing the Postal Service failing final condition, and; (2) Protect the Nations Internet communications and electronic money transfers. In addition, the VPOBIP Initiative when administrated by the Postal Service will be a "fraud deterrent" for the world's Internet predators and hackers. The VPOBIP Initiative has the potential of generating Billions of Dollars in revenue.

I first contacted Linda Kingsley, the Postal Service's SVP of Strategy and Transition, who solicited the Postal Service's interest and then instructed me to follow USPS protocol for presenting my solicited proposal. In following USPS protocol, I was instructed to upload my proposal in the USPS Innovation Data Base. I was then contacted by a Thomas Cinelli, Manager of Strategic Business Initiatives to USPS. Mr. Cinelli further expressed the USPS interest and emphasized the urgency of the USPS implementing my VPOBIP Initiative. Mr. Cinelli explained he would have to confer with the Marketing, Technical, and Legal Departments of the Postal Service. Mr. Cinelli called later in excitement and said in pertinent part, "*I got the go ahead from the USPS Marketing and Technical Departments, but haven't heard back from the Legal Department, they be dragging their [asses] on previous issues, but we can move forward, I'll be in touch shortly*." In two separate communications relating to the VPOBIP Initiative, Mr. Cinelli stated, "*I am waiting on responses from USPS <u>internal stakeholders</u>*", he later stated, "*I am waiting on responses from USPS <u>potential stakeholders</u>*". A day or two later, Mr. Cinelli informed me that the USPS Stakeholders approved my proposal. From that point, the USPS (Thomas Cinelli) initiated negotiations for a pilot for the VPOBIP Initiative. I was told to review 39 U.S.C. or the Postal Accountability Enhancement Act (PAEA) for the purpose of understanding the rules that govern Postal operations. Mr. Cinelli directed me to Section 203 §3641(e) of the PAEA, "***Market test of experimental products*** *Dollar –Amount Limitation"* which states, *"A product may only be tested under this section if the total revenues that are anticipated, or in fact received, by the Postal Service from such product do not exceed $10,000,000 in any year*". My modest forecast for the VPOBIP Initiative was $4,000,000,000, Four Billion Dollars at that time. This meant a formal request had to be filed with the Postal Regulatory Commission.

In continuance of the negotiations, the USPS through Mr. Cinelli asked me, "*Mr. Foster, when the payments are made by the Virtual P.O. Box subscribers, whose account will the money be deposited in*"? At that time, I thought the question was strange as I was unaware that the Postal Service wanted the money deposited in their account to control the interest on Billions of Dollars. I then told Mr. Cinelli I would have to call him back with my answer. After speaking with my colleagues, I called Mr. Cinelli and stated, "*Since banking is automatic, the monies can be deposited in my account and the USPS portion can be automatically deposited in your account, so I guess you guys have to decide what your portion will be…furthermore, we don't have to wait for the USPS Technical Department to build the website, I can have my people do it.*" I didn't realize that USPS Stakeholder/Incumbent Supplier Pitney Bowes, Inc had plans of providing the technical services for the VPOBIP Initiative. A day or two later, Mr. Cinelli called me with a tone of sadness in his voice and stated, "*Mr. Foster, I finally got a response from the USPS Legal Department, they ordered me to end all negotiations with you and to send you to the USPS Unsolicited Proposal Program, you can find the information on our website usps.gov*." I was shocked at this statement and referral. I asked myself, "*what's up with the Legal Department…don't they know it is imperative for the Postal Service to implement the Virtual P.O. Box. It's the universal service obligation of the Postal Service to protect our citizen's on the Internet…*(didn't know the true meaning of the USPS U.S.O.) *The USPS will face near extinction if they don't evolve with technology*. The VPOBIP Initiative was not an unsolicited proposal, we were just negotiating a deal, and after review, the VPOBIP Initiative did not fit the criteria of the program. A few days later, I attempted to contact Mr. Cinelli and was told he was no longer working at the Postal Service. This decision from the USPS Legal Department and Mr. Cinelli's unavailability were the first indications that the Postal Service had malicious intentions. I was secure with the VPOBIP Initiative for three reasons; my rights were protected by the PAEA, the Postal Service needed to implement it or suffer near extinction, and the Postal Service could not implement it without my permission.

I then began to reach out to the Postal Regulatory Commission (PRC), GAO, USPS OIG, House of Representatives (Rep. Steven Lynch), and Senate Oversight Committee (Senator Carper). While all the agencies agreed with the importance and viability of the VPOBIP Initiative, they all concluded, "*we can't force the Postal Service to do it, we can only suggest it to them*". I then became aware of the November 5, 2009 H.R. Oversight Subcommittee Hearing on the Future of Postal Service. To my surprise, none of the Postal Service witnesses even mentioned the VPOBIP Initiative or any similar initiative at the Hearing. I distinctively remember your panel saying, "*I would like to put out a call to the private sector to say, please come to our rescue here, we need the creative innovations that's gonna come from the populous across this country, with the creative innovative ideas that are gonna be those big ideas that the Postal Service can participate in, at the same time making sure we don't overly step into the private sector where rightfully the private sector should be leading the charge*"…the Honorable Jason Chaffetz November 5, 2009 H.R. Oversight Sub-Committee Hearing on Postal Service. Also remarkable were the words of the Honorable Danny Davis who said to the Postal Service's witnesses, "*you come up with a number of different ideas but they're all kind of small, in terms of coming up with the big runs that you really needed*"... After the H.R. Hearing, I delivered a copy of the VPOBIP Initiative introduction to your office.

After reviewing the VPOBIP Initiative, you forwarded the introduction to the USPS. On December 17, 2009, I received an email from a Joseph Adams, General Manager of Online Marketing to the USPS. The email read in part, "*Your suggestion for a Virtual Post Office Box/Internet Passport System was forward[ed] to the U.S. Postal Service by House Subcommittee on Federal Workforce, Postal Service and the District of Columbia Chairman Steven F. Lynch for review and consideration. I have read the documents you sent. I believe that your insights into the fraud and security issues faced by online and other parties are indeed important. The ideas that you outline are interesting to the USPS. However, there has been work done in the past to explore <u>substantially similar ideas</u>, and while I am not at liberty to disclose specifics of any work that may be underway currently, it is possible that <u>similar ideas</u> may already be under evaluation...*" I responded to the Joseph Adams email on December 21, 2009.

In my email, I addressed Joseph Adams' inferences that the USPS has "substantially similar ideas" or initiatives. I explained to Mr. Adams that the VPOBIP Initiative was introduced to the USPS in 2007 and a pilot had been discussed. I explained that any similar ideas or initiatives implemented by the USPS will pose an infringement of my intellectual property rights. I referenced Title IV Sec. 403 of the Postal Accountability Enhancement Act (PAEA), Unfair Competition, and 39 U.S.C. §404(a)(3) which states, "*the Postal Service may not … obtain information from a person that provides (or seeks to provide) any product, and then offer any postal service that uses or is based in whole or in part on such information, without the consent of the person providing that information*." I assured Joseph Adams my intentions are for the greater good of American/Global citizens and repairing the financial condition of the USPS. I informed Joseph Adams that, "*Despite your response, we certainly intend to continue pursuing the implementation of our proposal with the support of various postal officials, including your colleagues and leaders. We hope you will reconsider and offer your support as well after you re-evaluate the materials forwarded to you by Rep. Lynch.*" The Joseph Adams email was the first confirmation and second indication that the Postal Service was going to violate my intellectual property rights. My response delayed the USPS efforts to steal my intellectual property, causing them to reevaluate their plans.

On February 24, 2011, I became aware of the USPS OIG Report RARC-WP-11-002, "The Postal Service Role In the Digital Age". Everyone in the Postal Eco-System knew that the USPS OIG report was mirroring my findings to near plagiarism. They changed a few words and descriptions, I trade named it the "Virtual P.O. Box", the USPS OIG called it the "eMailBox", I called it "Virtual Postal Money Order", and the USPS OIG called it "Digital Currency". I contacted the USPS OIG and asked them why were they using my information and not even quoting me or giving me credit. The USPS OIG responded, "*Mr. Foster, we are a government agency, we cannot pick a winner in the private sector, we can't say go with Bill Gates or Microsoft, and we can't suggest to the Postal Service to go with F. D. Foster…but we can share in findings…trust me, you're going to enjoy our next report…*" In my mind, I thought that might be a good thing, since the USPS OIG as a government agency could take the "high road" and I could take the "low road". My intellectual property rights are protected by the PAEA. So, when the Postal Service decides to implement the VPOBIP Initiative they would have to get my permission.

In March or April of 2011, Pitney Bowes, Inc announces the launch of Volly.com, a "secure digital delivery service" for the Internet. At the time, I didn't understand why the Postal Service would support or allow PBI to launch Volly.com wherein if it is successful, it will add to the detriment of the USPS because the business model is intended to compete with First Class Business Mail and Advertisements.

On November 23, 2011, I filed a law suit against the PBI and the USPS in the district courts. My claims against the Postal Service were dismissed. The district courts based their decision on inaccurate pleadings of the US Attorney Office or DOJ, who asserted that the district courts did not have jurisdiction on complaints against the Postal Service and I should have filed my complaint with the PRC. The DOJ asserted inaccurate interpretations of US statutes claiming that Congress intended for the PRC to have exclusive jurisdiction on complaints against the Postal Service alleging violations of 39 U.S.C. §404a. Despite the fact that I presented the proper statutes to the district courts like 28 U.S.C. § 1339 which states, "*the district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to the postal service*", they just accepted the statements DOJ at face value merely because of the imprimatur of that office.

On April 12, 2013 my claims against PBI was dismissed and my Motion for Reconsideration was denied by the district courts. On April 17, 2013 the USPS OIG released Report Number: ms-wp-13-002, "Virtual Post Office Boxes" thinking it was free game to violate my intellectual property rights and use the very name of my 2007 proposal. This is clear indication that the USPS and the USPS OIG conspired to steal my intellectual property all along.

More importantly, on June 5, 2013 the Postal Regulatory Commission (PRC) released "Order 1739, NOTICE OF PROPOSED RULEMAKING ESTABLISHING RULES PURSUANT TO 39 U.S.C. 404a", which states, "*The Commission is proposing rules to govern complaints alleging violations of 39 U.S.C. 404a*." This PRC proposal totally contradicts the DOJ false assertions that the PRC has exclusive jurisdiction.

III. ANALYSIS

VIOLATION OF STATUTES AND UNLAWFUL REPRESENTATION BY US DOJ

Congress passed the PAEA or 39 U.S.C. in 2006 to give the USPS more leverage, allowing them to compete in the private sector while placing emphasis on accountability and an even playing field. In order to establish an even playing field, everyone must play fairly and play by the same rules. 39 U.S.C. §403 UNFAIR COMPETITION PROHIBITED thru 404 SUITS BY AND AGAINST THE POSTAL SERVICE states, *''(d)(1) For purposes of the provisions of law cited in paragraphs (2)(A) and (2)(B), respectively, the Postal Service—*

''(A) shall be considered to be a 'person', as used in the provisions of law involved; and ''(B) shall not be immune under any other doctrine of sovereign immunity from suit in Federal court by any person for any violation of any of those provisions of law by any officer or employee of the Postal Service.

''(2) This subsection applies with respect to—

''(A) the Act of July 5, 1946 (commonly referred to as the 'Trademark Act of 1946' (15 U.S.C. 1051 and following)); and ''(B) the provisions of section 5 of the Federal Trade Commission Act to the extent that such section 5 applies to unfair or deceptive acts or practices.

''(e)(1) To the extent that the Postal Service, or other Federal agency acting on behalf of or in concert with the Postal Service, engages in conduct with respect to any product which is not reserved to the United States under section 1696 of title 18, the Postal Service or other Federal agency (as the case may be)—

''(A) shall not be immune under any doctrine of sovereign immunity from suit in Federal court by any person for any violation of Federal law by such agency or any officer or employee thereof; and

''(B) shall be considered to be a person (as defined in subsection (a) of the first section of the Clayton Act) for purposes of—

''(i) the antitrust laws (as defined in such subsection); and

''(ii) section 5 of the Federal Trade Commission Act to the extent that such section 5 applies to unfair methods of competition." These statutes remove the Postal Service's cloak of sovereign immunity and allow them to sue or be sued in the district courts. Moreover, 39 U.S.C. § 409(g)(1) states, "*Notwithstanding any other provision of law, legal representation may not be*

furnished by the Department of Justice to the Postal Service in any action, suit, or proceeding arising, in whole or in part, under any of the following: ''(A) Subsection (d) or (e) of this section." The DOJ should not have furnished legal representation to the Postal Service in my case. In order to establish fair competition, Congress mandates the Postal Service to hire private counsel, like a person in the private sector.

The USPS and the USPS OIG violated 39 U.S.C. §404(a)(2) which states in pertinent part, "*the Postal Service may not- compel the disclosure, transfer, or licensing of intellectual property to any third party (such as patents, copyrights, trademarks, trade secrets, and proprietary information)*". This statute was violated in 2007 when the USPS, through the late Thomas Cinelli, stated they were waiting on response from USPS Stakeholders indicating the USPS disclosed my intellectual property and propriety information to third parties. Pitney Bowes interest was providing the technical needs of the VPOBIP Initiative. Also in 2007, the USPS and its stakeholders, including the USPS OIG and PBI, conspired to steal my intellectual property. The USPS OIG repeatedly violated 39 U.S.C. §404(a)(2) beginning February 24, 2011.

USPS DID NOT HAVE SIMILAR IDEAS OR USPS WITTNESSES WITHHELD PLANS FROM CONGRESSIONAL PANEL

The USPS witnesses never mentioned any similar initiative to that of the VPOBIP Initiative at the November 5, 2009 H.R. Oversight Sub-Committee Hearing, giving reason for Rep. Lynch (you) to forward the introduction to them. If the Postal Service did have similar initiatives at the time of the Hearing, they withheld this information for the Congressional Panel. Withholding this information from the Congressional Panel was at minimum a waste of time and money. Moreover, Joseph Adams, Manager of Online Marketing to USPS was not a USPS witness at the hearing, and most likely was not your direct contact at the Postal Service. Before his December 17, 2009 email, I personally never heard of Mr. Adams. Mr. Adams was most likely chosen by Postal Executives to take on the responsibility of responding to me and inferring that the Postal Service may have similar initiatives. To this date, the only similar initiative to arise from development stage is Pitney Bowes, Inc Volly.com.

THE USPS OIG REPEATEDLY VIOLATED 39 U.S.C. §404(a)(2) AND 39 U.S.C. §404(e) COMMITTING UNFAIR METHODS OF COMPETITION, DECEPTIVE ACTS DISCLOSING PROPRIETAY INFORMATION

The USPS OIG Report RARC-WP-11-002, "The Postal Service Role In the Digital Age", was a second violation of 39 U.S.C. §404(e) pertaining to a Federal Agency acting in concert or on behalf of the Postal Service poses acts of "unfair methods of competition", and 39 U.S.C. §404(a)(2) pertaining to the prohibiting the Postal Service from "compelling the disclosure of intellectual property or propriety information to any third party". The USPS OIG reports were not released to "share in findings" or to support my efforts. It was released with the intent to diminish my intellectual property claims, saturate the public record with similar findings, and give substance to Joseph Adams inferences that the USPS may have similar initiatives. This USPS OIG Report was the first of a four (4) part series. The USPS OIG released RARC-WP-11-002 on February 24, 2011, but had to reconsider their actions when I contacted them with claims of plagiarism. After further considering the value and urgency of the VPOBIP Initiative, the USPS OIG released the rest of the series; (Part 2) RARC-WP-12-001 "Digital Currency Opportunities for the Postal Service" on October 3, 2012, (Part 3) RARC-WP-12-002 "Postal Service Revenue…Future Possibilities" on October 6, 2012, three days later and (Part 4) RARC-WP-12-003 "eMailbox-eLockbox: Opportunities for the Postal Service" on November 14, 2012. In less than two months between the dates of October 3rd to November 14th of 2012, the USPS OIG released three reports which mirrored and plagiarized my propriety information. Evidenced by the momentum behind their reports, the role of the USPS OIG was to saturate public record with similar findings, allowing the USPS to implement similar initiatives. These allegations are supported and proven by the April 17, 2013 USPS OIG Report Number: ms-wp-13-002, "Virtual Post Office Boxes". Not only was this report released five days after my motion for reconsideration was denied by the district courts, but now they now use the same name as my 2007 proposal. In 2011, the USPS OIG misrepresented their intentions, stating they were "sharing in my findings". The USPS OIG intentionally used similar yet different names as descriptions in their reports. The April 17, 2013 USPS OIG Report Number: ms-wp-13-002, "Virtual Post Office Boxes" revealed its role and the intent of the USPS to violate my intellectual property rights.

USPS STAKEHOLDER/INCUMBENT TECHNOLOGY SUPPLIER PITNEY BOWES INCORPORATED OPENLY VIOLATES MY INTELLECTUAL PROPERTY RIGHTS AS DIVERSION TO USPS INTENT

My warning the Postal Service, thru Joseph Adams in 2009, that the implementation of any similar initiatives would be violations of 39 U.S.C., combined with their urgency to make money, caused the USPS and the USPS Stakeholders to alter their strategy in depriving me of my intellectual property rights. Combined with the 2011 USPS OIG Reports, the 2011 Pitney Bowes announcement of the launching of Volly.com was a diversion. Volly.com “set the stage” for Pitney Bowes to take on the battle against any claims I may have against the Postal Service. Since PBI was of the private sector and actually using my intellectual property, they all figured I would most likely direct my claims and attention away from the USPS and focus on suing PBI. They all collectively underestimated my common sense. The idea was, if PBI can beat Mr. Foster (a naïve wanna’ be entrepreneur) in court, and exhaust his claims, then the Postal Service will be free to implement his intellectual property. PBI will then transfer and customize Volly.com software provide and the technical support needed by the USPS, wherein PBI will reap the benefits of licensing fees. Volly.com was also an opportunity for PBI to test their software and Internet applications. This explains why the Postal Service would support the launching of Volly.com wherein if successful, it would only add to the detriment of the Postal Service. Volly.com is claimed to be intended to compete with the Postal Service’s First Class Business Mail and Advertisements.

USPS EXECUTIVES COMMITTED ACTS OF DISCRIMINATION MAKING PITNEY BOWES, INC A STATE ACTOR

The Postal Service in this case committed acts discrimination by choosing to conspire with PBI over the rights of the owner of the VPOBIP Initiative. The Postal Service chose PBI and deprived me of the opportunity to benefit from my own intellectual property. PBI became a “state actor” when receiving the proprietary information/intellectual property from the Postal Service. PBI, receiving the proprietary information in 2007, took on a responsibility that was reserved for the Postal Service, a semi-government agency.

USPS OIG COMMITTED ACTS OF PLAGIARISM, MISREPRESENTATION, AND REVEALS THE ONGOING CONSPIRACY

The April 17th, 2013 release of the OIG Report Number: ms-wp-13-002, "Virtual Post Office Boxes" not only indicates the USPS and USPS Stakeholders' original intent to deprive me of my intellectual property rights, but also indicates the urgency and value thereof. The USPS OIG went from mirroring and plagiarizing my proprietary information to using the same title of my proposal. In our 2011 communications, the USPS OIG misrepresented their intent and position when they stated they were merely sharing in my findings.

THE US DOJ UNLAWFULLY FURNISHED REPRESENTATION TO THE POSTAL SERVICE AND MADE INACCURATE ASSERTIONS TO THE DISTRICT COURTS

The US DOJ unlawfully provided representation to the USPS in this case of UNFAIR COMPETITION PROHIBITED. As previously stated, the plain language of 39 U.S.C. §409(g)(1) prohibits the DOJ from furnishing representation to the USPS in any action, suit, or proceeding arising, in whole or in part, under any of the following: ''(A) Subsection (d) or (e) of this section…which pertains to Section 403 UNFAIR COMPETITION PROHIBITED and Section 404 wherein the Postal Service and/or Government Agency acting in concert or on the behalf of the Postal Service, shall be considered a person, shall not be immune under any doctrine of sovereign immunity in suit in Federal Court… The DOJ furnishing representation to the Postal Service in district court in cases relating to 39 U.S.C. §403 UNFAIR COMPETITION PROHIBITED, is a clear extension of the Unfair Competition the statute prohibits. Moreover, the DOJ has the responsibility to investigate unlawful allegations against government agencies and their employees. The DOJ role in this case should be investigating the claims and identifying the individuals responsible for the unethical, unlawful acts.

THE POSTAL REGULATORY COMMISSION'S PROPOSED ORDER 1739 NOTICE OF PROPOSED RULEMAKING ESTABLISHING RULES PURSUANT TO 39 U.S.C. 404a PROVES THE US DOJ ASSERTIONS TO THE DISTRICT COURTS WERE FALSE

The June 5, 2013 PRC proposal Order 1739 NOTICE OF PROPOSED RULEMAKING ESTABLISHING RULES PURSUANT TO 39 U.S.C. 404a is clear indication that the DOJ made false pleadings and false assertions to the district courts. Order 1739 clearly indicates the PRC does not have exclusive jurisdiction on complaints against THE Postal Service alleging violations of 39 U.S.C. §404a. Moreover, the PRC working in close proximity with the Postal Service is fully aware of the cases against them. The PRC never came forward to provide judicial notice, or to correct the DOJ inaccurate assertions that the PRC has exclusive jurisdiction on these cases.

IV. CONCLUSION

This Congressional Notice is a call to Congress to review this matter and to apply additional oversight to the USPS, USPS Stakeholders and the Government Agencies of the Postal Eco-System or Community. The leverage granted to the Postal Service by Congress allowing them to compete fairly in the private sector has been misapplied, misconstrued, and diverted from the Congressional Intent. In this case, USPS and USPS Stakeholders have manipulated the Congressional mandates of the PAEA to create a beast that can leave the shelter of the government, come out in the private sector and do whatever it wants, and if anybody in the private sector complains, the beast (Postal Service) ducks and dodges its way back to the shelter of the government (PRC). I'm asking the Honorable Steven Lynch to look into these claims. I am available to meet, provide evidence, and or testimony to support my claims. I pray that you may be able to stop the injustice committed by a few Postal Executives, spare the Nation of possible embarrassment, and complete the shared efforts of saving the great institution, the United States Postal service.

Respectfully,

Dated: August 7, 2013

/s/

Frederick Foster
5049 Lancaster Ave.
Philadelphia, PA 19131 215-668-1332

The Honorable Jason Chaffetz
United States House of Representatives
Ranking Member H.R. Oversight Subcommittee
2464 Rayburn House Office Building
Washington, D.C. 20515-4403

CONGERSSIONAL NOTICE TO PREVENT MANIFEST INJUSTICE AND UNFAIR COMPETITION CURRENTLY BEING COMMITTED BY THE "UNITED STATES POSTAL SERVICE" AND "PITNEY BOWES, INCORPORATED", USPS STAKEHOLDER/INCUMBENT SUPPLIER, et. al.

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STATEMENT OF FACTS

I. NATURE OF THE CONGRESSIONAL NOTICE

The violations described by the following is a case of a friendly new neighbor who takes his ball to the playground for all to enjoy, only to be victimized by bullies who conspires to play keep away with the new neighbor's ball. Or it may be described as the proverbial "David" vs. a band of "Goliaths". This is an informal complaint of UNFAIR COMPETITION committed by the United States Postal Service acting in collusion with USPS Stakeholders and Supplier in violations of 39 U.S.C. §404a.

II. <u>BACKGROUND</u>

In 2007, I, Frederick Foster, "*came to the rescue of the Postal Service*"... I created a panacea, named the Virtual P.O. Box/Internet Passport (VPOBIP) Initiative for the USPS. The VPOBIP Initiative can be described as an "Internet safe haven" for the Nations Internet users or a "secure digital delivery service". The VPOBIP Initiative has a dual purpose; (1) Repairing the Postal Service failing final condition, and; (2) Protect the Nations Internet communications and electronic money transfers. In addition, the VPOBIP Initiative when administrated by the Postal Service will be a "fraud deterrent" for the world's Internet predators and hackers. The VPOBIP Initiative has the potential of generating Billions of Dollars in revenue.

I first contacted Linda Kingsley, the Postal Service's SVP of Strategy and Transition, who solicited the Postal Service's interest and then instructed me to follow USPS protocol for presenting my solicited proposal. In following USPS protocol, I was instructed to upload my proposal in the USPS Innovation Data Base. I was then contacted by a Thomas Cinelli, Manager of Strategic Business Initiatives to USPS. Mr. Cinelli further expressed the USPS interest and emphasized the urgency of the USPS implementing my VPOBIP Initiative. Mr. Cinelli explained he would have to confer with the Marketing, Technical, and Legal Departments of the Postal Service. Mr. Cinelli called later in excitement and said in pertinent part, "*I got the go ahead from the USPS Marketing and Technical Departments, but haven't heard back from the Legal Department, they be dragging their [asses] on previous issues, but we can move forward, I'll be in touch shortly*." In two separate communications relating to the VPOBIP Initiative, Mr. Cinelli stated, "*I am waiting on responses from USPS <u>internal stakeholders</u>*", he later stated, "*I am waiting on responses from USPS <u>potential stakeholders</u>*". A day or two later, Mr. Cinelli informed me that the USPS Stakeholders approved my proposal. From that point, the USPS (Thomas Cinelli) initiated negotiations for a pilot for the VPOBIP Initiative. I was told to review 39 U.S.C. or the Postal Accountability Enhancement Act (PAEA) for the purpose of understanding the rules that govern Postal operations. Mr. Cinelli directed me to Section 203

§3641(e) of the PAEA, "***Market test of experimental products*** *Dollar –Amount Limitation" which states, "A product may only be tested under this section if the total revenues that are anticipated, or in fact received, by the Postal Service from such product do not exceed $10,000,000 in any year*". My modest forecast for the VPOBIP Initiative was $4,000,000,000, Four Billion Dollars at that time. This meant a formal request had to be filed with the Postal Regulatory Commission.

In continuance of the negotiations, the USPS through Mr. Cinelli asked me, "*Mr. Foster, when the payments are made by the Virtual P.O. Box subscribers, whose account will the money be deposited in*"? At that time, I thought the question was strange as I was unaware that the Postal Service wanted the money deposited in their account to control the interest on Billions of Dollars. I then told Mr. Cinelli I would have to call him back with my answer. After speaking with my colleagues, I called Mr. Cinelli and stated, "*Since banking is automatic, the monies can be deposited in my account and the USPS portion can be automatically deposited in your account, so I guess you guys have to decide what your portion will be...furthermore, we don't have to wait for the USPS Technical Department to build the website, I can have my people do it*." I didn't realize that USPS Stakeholder/Incumbent Supplier Pitney Bowes, Inc had plans of providing the technical services for the VPOBIP Initiative. A day or two later, Mr. Cinelli called me with a tone of sadness in his voice and stated, "*Mr. Foster, I finally got a response from the USPS Legal Department, they ordered me to end all negotiations with you and to send you to the USPS Unsolicited Proposal Program, you can find the information on our website usps.gov*." I was shocked at this statement and referral. I asked myself, "*what's up with the Legal Department…don't they know it is imperative for the Postal Service to implement the Virtual P.O. Box. It's the universal service obligation of the Postal Service to protect our citizen's on the Internet…*(didn't know the true meaning of the USPS U.S.O.) *The USPS will face near extinction if they don't evolve with technology*. The VPOBIP Initiative was not an unsolicited proposal, we were just negotiating a deal, and after review, the VPOBIP Initiative did not fit the criteria of the program. A few days later, I attempted to contact Mr. Cinelli and was told he was no longer working at the Postal Service. This decision from the USPS Legal Department and Mr. Cinelli's unavailability were the first indications that the Postal Service had malicious intentions. I was secure with the VPOBIP Initiative for three reasons; my rights were protected by the PAEA, the Postal Service needed to implement it or suffer near extinction, and the Postal Service could not implement it without my permission.

I then began to reach out to the Postal Regulatory Commission (PRC), GAO, USPS OIG, House of Representatives (Rep. Steven Lynch), and Senate Oversight Committee (Senator Carper). While all the agencies agreed with the importance and viability of the VPOBIP Initiative, they all concluded, "*we can't force the Postal Service to do it, we can only suggest it to them*". I then became aware of the November 5, 2009 H.R. Oversight Subcommittee Hearing on the Future of Postal Service. To my surprise, none of the Postal Service witnesses even mentioned the VPOBIP Initiative or any similar initiative at the Hearing. I distinctively remember you saying, "*I would like to put out a call to the private sector to say, please come to our rescue here, we need the creative innovations that's gonna come from the populous across this country, with the creative innovative ideas that are gonna be those big ideas that the Postal Service can participate in, at the same time making sure we don't overly step into the private sector where rightfully the private sector should be leading the charge*"…the Honorable Jason Chaffetz November 5, 2009 H.R. Oversight Sub-Committee Hearing on Postal Service. Also remarkable were the words of the Honorable Danny Davis who said to the Postal Service's witnesses, "*you come up with a number of different ideas but they're all kind of small, in terms of coming up with the big runs that you really needed*"... After the H.R. Hearing, I delivered a copy of the VPOBIP Initiative introduction to Chairman Lynch's office.

After reviewing the VPOBIP Initiative, Representative Lynch forwarded the introduction to the USPS. On December 17, 2009, I received an email from a Joseph Adams, General Manager of Online Marketing to the USPS. The email read in part, "*Your suggestion for a Virtual Post Office Box/Internet Passport System was forward[ed] to the U.S. Postal Service by House Subcommittee on Federal Workforce, Postal Service and the District of Columbia Chairman Steven F. Lynch for review and consideration. I have read the documents you sent. I believe that your insights into the fraud and security issues faced by online and other parties are indeed important. The ideas that you outline are interesting to the USPS. However, there has been work done in the past to explore <u>substantially similar ideas</u>, and while I am not at liberty to disclose specifics of any work that may be underway currently, it is possible that <u>similar ideas</u> may already be under evaluation...*" I responded to the Joseph Adams email on December 21, 2009.

In my email, I addressed Joseph Adams' inferences that the USPS has "substantially similar ideas" or initiatives. I explained to Mr. Adams that the VPOBIP Initiative was introduced to the USPS in 2007 and a pilot had been discussed. I explained that any similar ideas or initiatives implemented by the USPS will pose an infringement of my intellectual property rights. I referenced Title IV Sec. 403 of the Postal Accountability Enhancement Act (PAEA), Unfair Competition, and 39 U.S.C. §404(a)(3) which states, "*the Postal Service may not ... obtain information from a person that provides (or seeks to provide) any product, and then offer any postal service that uses or is based in whole or in part on such information, without the consent of the person providing that information*." I assured Joseph Adams my intentions are for the greater good of American/Global citizens and repairing the financial condition of the USPS. I informed Joseph Adams that, "*Despite your response, we certainly intend to continue pursuing the implementation of our proposal with the support of various postal officials, including your colleagues and leaders. We hope you will reconsider and offer your support as well after you re-evaluate the materials forwarded to you by Rep. Lynch.*" The Joseph Adams email was the first confirmation and second indication that the Postal Service was going to violate my intellectual property rights. My response delayed the USPS efforts to steal my intellectual property, causing them to reevaluate their plans.

On February 24, 2011, I became aware of the USPS OIG Report RARC-WP-11-002, "The Postal Service Role In the Digital Age". Everyone in the Postal Eco-System knew that the USPS OIG report was mirroring my findings to near plagiarism. They changed a few words and descriptions, I trade named it the "Virtual P.O. Box", the USPS OIG called it the "eMailBox", I called it "Virtual Postal Money Order", and the USPS OIG called it "Digital Currency". I contacted the USPS OIG and asked them why were they using my information and not even quoting me or giving me credit. The USPS OIG responded, "*Mr. Foster, we are a government agency, we cannot pick a winner in the private sector, we can't say go with Bill Gates or Microsoft, and we can't suggest to the Postal Service to go with F. D. Foster…but we can share in findings…trust me, you're going to enjoy our next report…*" In my mind, I thought that might be a good thing, since the USPS OIG as a government agency could take the "high road" and I could take the "low road". My intellectual property rights are protected by the PAEA. So, when the Postal Service decides to implement the VPOBIP Initiative they would have to get my permission.

In March or April of 2011, Pitney Bowes, Inc announces the launch of Volly.com, a "secure digital delivery service" for the Internet. At the time, I didn't understand why the Postal Service would support or allow PBI to launch Volly.com wherein if it is successful, it will add to the detriment of the USPS because the business model is intended to compete with First Class Business Mail and Advertisements.

On November 23, 2011, I filed a law suit against the PBI and the USPS in the district courts. My claims against the Postal Service were dismissed. The district courts based their decision on inaccurate pleadings of the US Attorney Office or DOJ, who asserted that the district courts did not have jurisdiction on complaints against the Postal Service and I should have filed my complaint with the PRC. The DOJ asserted inaccurate interpretations of US statutes claiming that Congress intended for the PRC to have exclusive jurisdiction on complaints against the Postal Service alleging violations of 39 U.S.C. §404a. Despite the fact that I presented the proper statutes to the district courts like 28 U.S.C. § 1339 which states, "*the district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to the postal service*", they just accepted the statements DOJ at face value merely because of the imprimatur of that office.

On April 12, 2013 my claims against PBI was dismissed and my Motion for Reconsideration was denied by the district courts. On April 17, 2013 the USPS OIG released Report Number: ms-wp-13-002, "Virtual Post Office Boxes" thinking it was free game to violate my intellectual property rights and use the very name of my 2007 proposal. This is clear indication that the USPS and the USPS OIG conspired to steal my intellectual property all along.

More importantly, on June 5, 2013 the Postal Regulatory Commission (PRC) released "Order 1739, NOTICE OF PROPOSED RULEMAKING ESTABLISHING RULES PURSUANT TO 39 U.S.C. 404a", which states, "*The Commission is proposing rules to govern complaints alleging violations of 39 U.S.C. 404a*." This PRC proposal totally contradicts the DOJ false assertions that the PRC has exclusive jurisdiction.

III. <u>ANALYSIS</u>

<u>VIOLATION OF STATUTES AND UNLAWFUL REPRESENTATION BY US DOJ</u>

Congress passed the PAEA or 39 U.S.C. in 2006 to give the USPS more leverage, allowing them to compete in the private sector while placing emphasis on accountability and an even playing field. In order to establish an even playing field, everyone must play fairly and play by the same rules. 39 U.S.C. §403 UNFAIR COMPETITION PROHIBITED thru 404 SUITS BY AND AGAINST THE POSTAL SERVICE states, *''(d)(1) For purposes of the provisions of law cited in paragraphs (2)(A) and (2)(B), respectively, the Postal Service—*

''(A) shall be considered to be a 'person', as used in the provisions of law involved; and ''(B) shall not be immune under any other doctrine of sovereign immunity from suit in Federal court by any person for any violation of any of those provisions of law by any officer or employee of the Postal Service.

''(2) This subsection applies with respect to—

''(A) the Act of July 5, 1946 (commonly referred to as the 'Trademark Act of 1946' (15 U.S.C. 1051 and following)); and ''(B) the provisions of section 5 of the Federal Trade Commission Act to the extent that such section 5 applies to unfair or deceptive acts or practices.

''(e)(1) To the extent that the Postal Service, or other Federal agency acting on behalf of or in concert with the Postal Service, engages in conduct with respect to any product which is not reserved to the United States under section 1696 of title 18, the Postal Service or other Federal agency (as the case may be)—

''(A) shall not be immune under any doctrine of sovereign immunity from suit in Federal court by any person for any violation of Federal law by such agency or any officer or employee thereof; and

''(B) shall be considered to be a person (as defined in subsection (a) of the first section of the Clayton Act) for purposes of—

''(i) the antitrust laws (as defined in such subsection); and

''(ii) section 5 of the Federal Trade Commission Act to the extent that such section 5 applies to unfair methods of competition." These statutes remove the Postal Service's cloak of sovereign immunity and allow them to sue or be sued in the district courts. Moreover, 39 U.S.C. § 409(g)(1) states, "*Notwithstanding any other provision of law, legal representation may not be*

furnished by the Department of Justice to the Postal Service in any action, suit, or proceeding arising, in whole or in part, under any of the following: ''(A) Subsection (d) or (e) of this section." The DOJ should not have furnished legal representation to the Postal Service in my case. In order to establish fair competition, Congress mandates the Postal Service to hire private counsel, like a person in the private sector.

The USPS and the USPS OIG violated 39 U.S.C. §404(a)(2) which states in pertinent part, "*the Postal Service may not- compel the disclosure, transfer, or licensing of intellectual property to any third party (such as patents, copyrights, trademarks, trade secrets, and proprietary information)*". This statute was violated in 2007 when the USPS, through the late Thomas Cinelli, stated they were waiting on response from USPS Stakeholders indicating the USPS disclosed my intellectual property and propriety information to third parties. Pitney Bowes interest was providing the technical needs of the VPOBIP Initiative. Also in 2007, the USPS and its stakeholders, including the USPS OIG and PBI, conspired to steal my intellectual property. The USPS OIG repeatedly violated 39 U.S.C. §404(a)(2) beginning February 24, 2011.

USPS DID NOT HAVE SIMILAR IDEAS OR USPS WITTNESSES WITHHELD PLANS FROM CONGRESSIONAL PANEL

The USPS witnesses never mentioned any similar initiative to that of the VPOBIP Initiative at the November 5, 2009 H.R. Oversight Sub-Committee Hearing, giving reason for Rep. Lynch to forward the introduction to them. If the Postal Service did have similar initiatives at the time of the Hearing, they withheld this information for the Congressional Panel. Withholding this information from the Congressional Panel was at minimum a waste of time and money. Moreover, Joseph Adams, Manager of Online Marketing to USPS was not a USPS witness at the hearing, and most likely was not Rep. Lynch's direct contact at the Postal Service. Before his December 17, 2009 email, I personally never heard of Mr. Adams. Mr. Adams was most likely chosen by Postal Executives to take on the responsibility of responding to me and inferring that the Postal Service may have similar initiatives. To this date, the only similar initiative to arise from development stage is Pitney Bowes, Inc Volly.com.

<u>THE USPS OIG REPEATEDLY VIOLATED 39 U.S.C. §404(a)(2) AND 39 U.S.C. §404(e) COMMITTING UNFAIR METHODS OF COMPETITION, DECEPTIVE ACTS DISCLOSING PROPRIETAY INFORMATION</u>

The USPS OIG Report RARC-WP-11-002, "The Postal Service Role In the Digital Age", was a second violation of 39 U.S.C. §404(e) pertaining to a Federal Agency acting in concert or on behalf of the Postal Service poses acts of "unfair methods of competition", and 39 U.S.C. §404(a)(2) pertaining to the prohibiting the Postal Service from "compelling the disclosure of intellectual property or propriety information to any third party". The USPS OIG reports were not released to "share in findings" or to support my efforts. It was released with the intent to diminish my intellectual property claims, saturate the public record with similar findings, and give substance to Joseph Adams inferences that the USPS may have similar initiatives. This USPS OIG Report was the first of a four (4) part series. The USPS OIG released RARC-WP-11-002 on February 24, 2011, but had to reconsider their actions when I contacted them with claims of plagiarism. After further considering the value and urgency of the VPOBIP Initiative, the USPS OIG released the rest of the series; (Part 2) RARC-WP-12-001 <u>"Digital Currency Opportunities for the Postal Service" on October 3, 2012</u>, (Part 3) RARC-WP-12-002 <u>"Postal Service Revenue…Future Possibilities" on October 6, 2012</u>, three days later and (Part 4) RARC-WP-12-003 <u>"eMailbox-eLockbox: Opportunities for the Postal Service" on November 14, 2012</u>. In less than two months between the dates of October 3rd to November 14th of 2012, the USPS OIG released three reports which mirrored and plagiarized my propriety information. Evidenced by the momentum behind their reports, the role of the USPS OIG was to saturate public record with similar findings, allowing the USPS to implement similar initiatives. These allegations are supported and proven by the April 17, 2013 USPS OIG Report Number: ms-wp-13-002, "Virtual Post Office Boxes". Not only was this report released five days after my motion for reconsideration was denied by the district courts, but now they now use the same name as my 2007 proposal. In 2011, the USPS OIG misrepresented their intentions, stating they were "sharing in my findings". The USPS OIG intentionally used similar yet different names as descriptions in their reports. The April 17, 2013 USPS OIG Report Number: ms-wp-13-002, "Virtual Post Office Boxes" revealed its role and the intent of the USPS to violate my intellectual property rights.

USPS STAKEHOLDER/INCUMBENT TECHNOLOGY SUPPLIER PITNEY BOWES INCORPORATED OPENLY VIOLATES MY INTELLECTUAL PROPERTY RIGHTS AS DIVERSION TO USPS INTENT

My warning the Postal Service, thru Joseph Adams in 2009, that the implementation of any similar initiatives would be violations of 39 U.S.C., combined with their urgency to make money, caused the USPS and the USPS Stakeholders to alter their strategy in depriving me of my intellectual property rights. Combined with the 2011 USPS OIG Reports, the 2011 Pitney Bowes announcement of the launching of Volly.com was a diversion. Volly.com "set the stage" for Pitney Bowes to take on the battle against any claims I may have against the Postal Service. Since PBI was of the private sector and actually using my intellectual property, they all figured I would most likely direct my claims and attention away from the USPS and focus on suing PBI. They all collectively underestimated my common sense. The idea was, if PBI can beat Mr. Foster (a naïve wanna' be entrepreneur) in court, and exhaust his claims, then the Postal Service will be free to implement his intellectual property. PBI will then transfer and customize Volly.com software provide and the technical support needed by the USPS, wherein PBI will reap the benefits of licensing fees. Volly.com was also an opportunity for PBI to test their software and Internet applications. This explains why the Postal Service would support the launching of Volly.com wherein if successful, it would only add to the detriment of the Postal Service. Volly.com is claimed to be intended to compete with the Postal Service's First Class Business Mail and Advertisements.

USPS EXECUTIVES COMMITTED ACTS OF DISCRIMINATION MAKING PITNEY BOWES, INC A STATE ACTOR

The Postal Service in this case committed acts discrimination by choosing to conspire with PBI over the rights of the owner of the VPOBIP Initiative. The Postal Service chose PBI and deprived me of the opportunity to benefit from my own intellectual property. PBI became a "state actor" when receiving the proprietary information/intellectual property from the Postal Service. PBI, receiving the proprietary information in 2007, took on a responsibility that was reserved for the Postal Service, a semi-government agency.

USPS OIG COMMITTED ACTS OF PLAGIARISM, MISREPRESENTATION, AND REVEALS THE ONGOING CONSPIRACY

The April 17th, 2013 release of the OIG Report Number: ms-wp-13-002, "Virtual Post Office Boxes" not only indicates the USPS and USPS Stakeholders' original intent to deprive me of my intellectual property rights, but also indicates the urgency and value thereof. The USPS OIG went from mirroring and plagiarizing my proprietary information to using the same title of my proposal. In our 2011 communications, the USPS OIG misrepresented their intent and position when they stated they were merely sharing in my findings.

THE US DOJ UNLAWFULLY FURNISHED REPRESENTATION TO THE POSTAL SERVICE AND MADE INACCURATE ASSERTIONS TO THE DISTRICT COURTS

The US DOJ unlawfully provided representation to the USPS in this case of UNFAIR COMPETITION PROHIBITED. As previously stated, the plain language of 39 U.S.C. §409(g)(1) prohibits the DOJ from furnishing representation to the USPS in any action, suit, or proceeding arising, in whole or in part, under any of the following: ''(A) Subsection (d) or (e) of this section…which pertains to Section 403 UNFAIR COMPETITION PROHIBITED and Section 404 wherein the Postal Service and/or Government Agency acting in concert or on the behalf of the Postal Service, shall be considered a person, shall not be immune under any doctrine of sovereign immunity in suit in Federal Court… The DOJ furnishing representation to the Postal Service in district court in cases relating to 39 U.S.C. §403 UNFAIR COMPETITION PROHIBITED, is a clear extension of the Unfair Competition the statute prohibits. Moreover, the DOJ has the responsibility to investigate unlawful allegations against government agencies and their employees. The DOJ role in this case should be investigating the claims and identifying the individuals responsible for the unethical, unlawful acts.

THE POSTAL REGULATORY COMMISSION'S PROPOSED ORDER 1739 NOTICE OF PROPOSED RULEMAKING ESTABLISHING RULES PURSUANT TO 39 U.S.C. 404a PROVES THE US DOJ ASSERTIONS TO THE DISTRICT COURTS WERE FALSE

The June 5, 2013 PRC proposal Order 1739 NOTICE OF PROPOSED RULEMAKING ESTABLISHING RULES PURSUANT TO 39 U.S.C. 404a is clear indication that the DOJ made false pleadings and false assertions to the district courts. Order 1739 clearly indicates the PRC does not have exclusive jurisdiction on complaints against THE Postal Service alleging violations of 39 U.S.C. §404a. Moreover, the PRC working in close proximity with the Postal Service is fully aware of the cases against them. The PRC never came forward to provide judicial notice, or to correct the DOJ inaccurate assertions that the PRC has exclusive jurisdiction on these cases.

IV. CONCLUSION

This Congressional Notice is a call to Congress to review this matter and to apply additional oversight to the USPS, USPS Stakeholders and the Government Agencies of the Postal Eco-System or Community. The leverage granted to the Postal Service by Congress allowing them to compete fairly in the private sector has been misapplied, misconstrued, and diverted from the Congressional Intent. In this case, USPS and USPS Stakeholders have manipulated the Congressional mandates of the PAEA to create a beast that can leave the shelter of the government, come out in the private sector and do whatever it wants, and if anybody in the private sector complains, the beast (Postal Service) ducks and dodges its way back to the shelter of the government (PRC). I'm asking the Honorable Jason Chaffetz to look into these claims. I am available to provide evidence, and or testimony to support my claims.

Respectfully,

Dated: August 7, 2013

/s/

Frederick Foster
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